
State:	District of Columbia	Filing Company:	American General Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.003 Long Term		
Product Name:	STD/LTD		
Project Name/Number:	STD/LTD QF 11/2014/STD/LTD QF 11/2014		

Filing at a Glance

Company:	American General Life Insurance Company
Product Name:	STD/LTD
State:	District of Columbia
TOI:	H11G Group Health - Disability Income
Sub-TOI:	H11G.003 Long Term
Filing Type:	Form
Date Submitted:	09/04/2015
SERFF Tr Num:	AMGN-130233277
SERFF Status:	Submitted to State
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State Status:	
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Implementation	On Approval
Date Requested:	
Author(s):	Melondy Urquhart
Reviewer(s):	
Disposition Date:	
Disposition Status:	
Implementation Date:	

State: District of Columbia **Filing Company:** American General Life Insurance Company
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General Information

Project Name: STD/LTD QF 11/2014
Project Number: STD/LTD QF 11/2014
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: Resubmission
Status of Filing in Domicile: Authorized
Date Approved in Domicile: 03/10/2015
Domicile Status Comments:
Market Type: Group
Previous Filing Number: AMGN-129810849; AMGN-129985373
Group Market Size: Small and Large
Explanation for Other Group Market Type: Labor Unions, Employer groups, as well as MET situations that may use an out-of-state group trust
Filing Status Changed: 09/04/2015
State Status Changed:
Created By: Melondy Urquhart
Corresponding Filing Tracking Number:
Group Market Type: Employer, Trust, Other
Overall Rate Impact:
Deemer Date:
Submitted By: Melondy Urquhart

Filing Description:

**Resubmission of SERFF Tracking #AMGN-129810849
Closed-Withdrawn by the Department on January 16, 2015; and
**Resubmission of SERFF Tracking # AMGN-129985373
Closed-Withdrawn by the Department on May 12, 2015
**Resubmission of SERFF Tracking # AMGN-130118999
Closed-Withdrawn by the Department on August 11, 2015

Re: American General Life Insurance Company
NAIC# 60488
FEIN# 25-0598210

Policy, G-DIS-41000-DC-0614
Certificate, G-DIS-41001-DC-0614
Explanation of Variable Material, EOv for G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614 Forms

Dear Mr. Colin Johnson:

This filing was previously submitted under SERFF tracking #AMGN-129810849. That filing was Closed-Withdrawn by the Department on January 16, 2015 due to the department's time standard to approve filings. This filing was then resubmitted under SERFF tracking #AMGN-129985373. That filing was also Closed-Withdrawn by the Department on May 12, 2015 again due to the department's time standard to approve filings. This filing was then resubmitted under SERFF tracking # AMGN-130118999. That filing was also Closed-Withdrawn by the Department on August 11, 2015 again due to the department's time standard to approve filings. We are now resubmitting this filing as a new submission and are also addressing the issues from Mr. Colin Johnson's previous objection letter received July 22, 2015 under SERFF tracking #AMGN-130118999 (copy attached to the Supporting Documentation tab).

American General Life Insurance Company wishes to update our Group Short Term Disability (STD) and Group Long Term Disability (LTD) Insurance forms, Policy form #G-DIS-41000, and Certificate of Insurance form #G-DIS-41001.

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Please reference SERFF Tracking #SERT-642LZM254, approved by your department on September 21, 2004 for the previously approved forms underwritten by AIG Life Insurance Company of Delaware. Please note that due to an internal Company merger, these forms are now underwritten by American General Life Insurance Company. Please reference SERFF Tracking #AMGN-128841322 for the company merger information.

In addition to modifying the forms to show the new underwriting company merger information, we would also like to include additional numeric ranges and bracketing to the forms where applicable, add subscripts to the bracketed items in the forms to make better reference to the Explanation of Variable Areas form, make some minor formatting changes/corrections such as changing the defined terms from all caps/then italicized lower case to bold/mixed case, and expand upon some existing definitions in the DEFINITIONS section of the Certificate of Insurance form. Some examples of the language expansion to the DEFINITIONS section include, but are not limited to, updating the existing Domestic Partner definition, and revising the existing Monthly & Weekly Earnings definitions. In addition, we have incorporated the provisions from the current District of Columbia State Specific Certificate Amendment, form #G-DIS-41015-DC, into the updated Certificate of Insurance form.

Accordingly, we have revised the form numbers to: Policy, G-DIS-41000-DC-0614, and Certificate of Insurance, G-DIS-41001-DC-0614.

Unless otherwise informed, the forms are in final printed format (with some areas completed for illustrative purposes) subject only to changes in the layout of the enclosed forms, including sequential ordering of the provision, font style, type, color, margins, page numbers, ink and paper stock. While every effort is made to submit filings without mistakes, we reserve the right to make corrections to any typographical errors such as misspelling or minor grammatical errors after filing and approval. Printing standards will never be less than those required by law. The bracketed areas are filed as variable to allow for changes but would only be changed if such changes are within the allowable parameters or the requirements in the state statutes.

To the best of our knowledge and belief, this filing is complete and intended to comply with the insurance laws of your jurisdiction.

The Policy and Certificate of Insurance forms will be implemented for use as soon as administratively possible upon approval by your Department.

****Please Note:** We are also addressing the objections received from the last filing submission referenced above that were raised by Mr. Johnson in this submission as well.

Latest Objection Letter (Rec'd 7/22/15)

Introduction: Amend your "Spouse" definition to " Whenever the term Spouse appears in the Policy, this provision includes the Definition of civil union and domestic partner into the Policy.

RESPONSE to Introduction: Regarding your objection to amend our "Spouse" definition, we have revised the definition of Spouse as you have instructed to read as follows:

Spouse means a person of the same or opposite sex who is legally married to you under the laws of the state or jurisdiction in which the marriage took place.

State: District of Columbia **Filing Company:** American General Life Insurance Company
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[Whenever the term Spouse appears in the group policy, this provision includes the definition of [Domestic Partner] [or Civil Union Partner] into the group policy.]

Please see the updated Certificate form attached to the Form Schedule tab labeled G-DIS-41001-DC-0614 (9.4.15 Final). In addition, a redlined version of the Certificate form marking the change made have also been attached to the Supporting Documentation tab.

PLEASE NOTE: The corresponding rates for this forms filing were submitted under SERFF Tracking #AMGN-130049601 and given a final disposition of Closed -FILED FOR INFORMATION by your Rate Division on May 11, 2015.

We hope that we have now satisfactorily responded to your additional concerns. Should you have any questions or comments, please do not hesitate to contact me. I can be reached at (732) 922-7671 or email me at Melondy.Urquhart@aigbenefits.com. Your continued review of this filing is appreciated.

Sincerely,
Melondy Urquhart

Company and Contact

Filing Contact Information

Melondy Urquhart, Filing Analyst
3600 Route 66
Neptune, NJ 07753

Melondy.Urquhart@aigbenefits.com
732-922-7671 [Phone]

Filing Company Information

American General Life Insurance
Company
2727-A Allen Parkway
Houston, TX 77019
(713) 831-3508 ext. [Phone]

CoCode: 60488
Group Code: 12
Group Name: AIG
FEIN Number: 25-0598210

State of Domicile: Texas
Company Type:
State ID Number:

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

SERFF Tracking #:

AMGN-130233277

State Tracking #:

Company Tracking #:

STD/LTD QF 11/2014

State: District of Columbia

TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.003 Long Term

Product Name: STD/LTD

Project Name/Number: STD/LTD QF 11/2014/STD/LTD QF 11/2014

Filing Company:

American General Life Insurance Company

Form Schedule

Lead Form Number: G-DIS-41000

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
1		Group Disability Income Insurance Policy	G-DIS-41000-DC-0614	POL	Revised	Previous Filing Number:	SERFF Tracking #SERT-642LZM254 - Approved 9/21/04	50.700	G-DIS-41000-DC-0614 (6.29.15 Final).pdf
						Replaced Form Number:	G-DIS-41000		
2		Certificate of Insurance	G-DIS-41001-DC-0614	CER	Revised	Previous Filing Number:	SERFF Tracking #SERT-642LZM254 - Approved 9/21/04	51.000	G-DIS-41001-DC-0614 (9.4.15 Final).pdf
						Replaced Form Number:	G-DIS-41001 and G-DIS-41015-DC		

Form Type Legend:

ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
OTH	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages

[LOGO]¹

[American General Life Insurance Company]²

[2727-A Allen Parkway

Houston, TX 77019

[(XXX) XXX-XXXX]³

A capital stock company

(Herein called the Company)

The *Company* will pay the benefits of this Policy subject to its provisions. This page and the pages that follow are part of this Policy.

Group Policy no.: [XX-000000]⁴

Policyholder: [ABC COMPANY]⁴

PREMIUM PAYMENTS

This Policy is issued in return for the payment by the [Policyholder]⁵[Participating Employer]⁵ of required premiums. Premiums are payable at the home office of the *Company* or to its authorized agent. The first premium is due on the effective date of this Policy. Later premiums are due [monthly in advance on the first day of each month.]⁶ These dates are the premium due dates.

EFFECTIVE DATE

This Policy will take effect on [MONTH DD, YR]⁴. [This Policy replaces Group Policy No. [XX-000000]⁴, which was issued by the *Company* and took effect as of [MONTH DD, YR]⁴.]⁷

POLICY ANNIVERSARIES

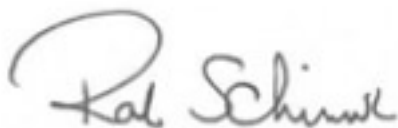
Policy anniversaries will be [MONTH DD, YR and each subsequent MONTH DD]⁴.

APPLICABLE LAW

This Policy is issued in and governed by the laws of [Delaware]⁸.

The President and Secretary of the *Company* witness this Policy.

[



President



Secretary

[_____
Registrar

Signed by: _____
(A licensed resident agent where required by law)]⁹

GROUP DISABILITY INCOME INSURANCE POLICY

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[[PARTICIPATING] EMPLOYERS¹³

The Policyholder is the Trustee named by a trust agreement. This agreement permits certain employers to insure their employees for the benefits provided by this Policy. Employers who do so are **[[Participating] Employers.]¹³**

The Policyholder acts for the **[[Participating]¹³** Employers in all matters of this Policy. Such actions bind all Participating Employers.

[[The *Company* is not a party to the trust agreement and is not bound by its terms.]¹⁴

[[How an employer becomes a Participating Employer

An employer must submit a signed application in which he:

- agrees to participate in the trust, and
- applies for the insurance provided by this Policy for his employees.**]¹⁴**

When an employer becomes a Participating Employer

The Policyholder and the *Company* will agree on the date an employer becomes a **[[Participating] Employer**. This date will be stated in writing by the *Company*.

[[When an employer ceases to be a Participating Employer

[[The Policyholder can end an employer's status as a Participating Employer as stated in the WAYS INSURANCE MAY END provision.]¹⁴

The *Company* can end insurance for a Participating Employer as stated in the WAYS INSURANCE MAY END provision.**]^{14, 13}**

INCORPORATION PROVISIONS

1. From the effective date of the policy, changes in the following items will be made a part of this Policy:
 - the name of the Policyholder;
 - the premium rates;
 - amounts of insurance, eligibility, benefit descriptions, or any other provisions incorporated into the policy.
2. Any change in item "1" above will be given on the *Company's* forms.
3. The effective date of incorporation of a provision or another change that affects the insurance of any person insured under this Policy will be the later of:
 - a. the effective date of this Policy;
 - [b] the date the employer becomes a Participating Employer under this Policy;¹⁵
 - [c]. the date of any amendment to this Policy that changes the *Company's* obligation to pay benefits under this Policy.
4. All of the benefits and provisions in an insured person's certificate of insurance issued under this Policy are made a part of this Policy.

PREMIUMS

FREQUENCY OF PREMIUM PAYMENT

Premiums for this Policy are payable [monthly in advance. The [Policyholder]⁵ [Participating Employer]⁵ and the *Company* may agree that payment be made in advance every 3, 6 or 12 months.]¹⁶

RIGHT TO CHANGE PREMIUM RATES

The *Company* may change premium rates on any date on or after [the [first¹⁷ [policy]⁵ [plan]⁵ anniversary]¹⁷. The *Company* will notify the [Policyholder]⁵[Participating Employer]⁵ in writing, at least [31-90]¹⁸ days before such change. However, the *Company* may change premium rates at any time, if a change occurs that has a direct bearing on the risk the *Company* assumed, including:

- the date [this Policy]⁵ [or the Participating Employer's plan of insurance]⁵ is amended
- the date [a division, subsidiary, affiliated company, [Participating]¹³ Employer or]¹⁹ an eligible class is added to or deleted from this Policy [or the Participating Employer's plan of insurance]⁵
- a [10-25%]²⁰ increase or decrease in the number of insured employees²¹
- a material misstatement in the reported experience during the pre-sale process²¹
- when any federal or state law or regulation is enacted, promulgated, amended or clarified to the extent that it affects the *Company's* benefit obligation.

The new premium will apply only to premiums due on or after the date the rate change takes effect.

[PREMIUM FOR CHANGES IN INSURANCE

If any insurance is added, increased or becomes effective after [this Policy]⁵ [or] [Participating Employer's plan of insurance]⁵ is in force, the premium charges will begin [on the day the coverage is effective, if it is also the first day of a policy month]²² [or]²² [the date of the change]²². [Otherwise, the premium changes will begin on the first day of the next policy month.]²²

For insurance which is [decreased or]²¹ terminated, premium charges will be adjusted as of [the first day of the next policy month]²² [or]²¹ [the effective the date of the change]²².]²²

EXPERIENCE RATING

If this [Policy]⁵[plan]⁵ is experienced rated, any credit amount due the [Policyholder]⁵[Participating Employer]⁵ will be credited on the [Policy]⁵[plan]⁵ anniversary date and, at the [Policyholder's]⁵[Participating Employer's]⁵ request, will be:

- paid in cash; or
- used to reduce premiums; or
- used to provide additional insurance for insured employees.

Any credit amount will be determined by the rating plan or plans used by the *Company*.²³

INSURANCE PREMIUM RATES

The premium rates in effect on the effective date are those determined by the *Company*. Those rates will be shown on the billing notice(s) sent to the [Policyholder]⁵[Participating Employer]⁵.

END OF INSURANCE PROVIDED BY THIS POLICY

WAYS INSURANCE MAY END

By The *Company*:

Except for fraud, misrepresentation or non-payment of premium, the *Company* may not end insurance under [this Policy]⁵ [the Participating Employer's plan of insurance]⁵ prior to the [first Policy anniversary].^{24, 25}

1. The *Company* can end insurance under [this Policy]⁵[the Participating Employer's plan of insurance]⁵ at any time by giving advance written notice to the [Policyholder]⁵[Participating Employer]⁵, delivered to [Policyholder]⁵[Participating Employer] or mailed to [Policyholder]⁵[Participating Employer] last known address, as recorded in the appropriate records of the *Company*, stating when, not less than 5 days prior to the cancellation, such insurance will end.
2. The *Company* can end insurance under [this Policy]⁵ [the Participating Employer's plan of insurance]⁵ immediately, in the event of fraud or misrepresentation by the [Policyholder]⁵[Participating Employer]⁵.
3. The *Company* can end insurance under [this Policy]⁵[the Participating Employer's plan of insurance]⁵ on any premium due date, if on such date:
 - [there are less than [2-10]²⁷ employees insured]²⁹
 - [when the employees do not pay for the cost of insurance, less than 100% of those eligible are insured]²⁹
 - [when the employees pay for all or part of the cost of insurance, less than 75% of those eligible are insured]²⁹, or
 - the [Policyholder]⁵[Participating Employer]⁵ fails to promptly furnish any necessary information requested by the *Company*, or fails to perform any other obligations relating to the terms of coverage.²⁸

[4.] The *Company* can end insurance under [this Policy]⁵[the Participating Employer's plan of insurance]⁵ for non-payment of premium.

Each premium after the first may be paid up to [31-90]³⁰ days after its due date. This period is the grace period. The *Company* may extend the grace period by written notice. Such notice will state the date insurance will end if the premiums remain unpaid.

If premiums for the next premium due date are not paid in full by the [Policyholder]⁵[Participating Employer]⁵ during the grace period, insurance will end on the day immediately following the last day of the coverage period for which the required premium has been paid.

Premiums for this Policy may be paid in separate bills covering categories of employees set up by the [Policyholder]⁵[Participating Employer]⁵. If premium is not paid for a category of employees, the *Company* can end insurance for such employees as set forth above.³¹

[5.] This Policy will automatically end if the trust or trust agreement ends.³²

By The Policyholder:

- [1.] The Policyholder can end insurance under this Policy at any time by giving advance written notice to the *Company*.
- [2.] The Policyholder can end an employer's status as a Participating Employer by giving the *Company* 30 days advance written notice.³³

END OF INSURANCE PROVIDED BY THIS POLICY

By The Participating Employer:

A Participating Employer can end its plan of insurance under this Policy at any time by giving advance written notice to the [Company]³⁴[Policyholder]^{34, 33}.

Notification:

If insurance under [this Policy]⁵[the Participating Employer's plan of insurance]⁵ ends for any reason, the [Policyholder]⁵[Participating Employer]⁵ will notify the insured persons of such termination. Upon notice of impending cancellation from the *Company*, the [Policyholder]⁵[Participating Employer]⁵ must notify all insured persons, in writing, not less than 5 days prior to the cancellation. Written notice of such cancellation must be presented to the insured person or mailed to the insured person's last known address recorded in the appropriate records of the [Policyholder]⁵[Participating Employer]⁵.

IF INSURANCE ENDS - PREMIUMS

If insurance ends, all premiums due must be paid. Such payment will be on a pro rata basis for any period that this Policy was in effect from the date the last premium was paid. If the *Company* accepts premium after the date this Policy ends, this will not act to "reinstate" this Policy. The *Company* will promptly refund any unearned premium.

REINSTATEMENT

To reinstate [this Policy]⁵[the Participating Employer's plan of insurance]⁵, the [Policyholder]⁵[Participating Employer]⁵ must complete the required form and send it to the *Company* along with the required premium. If this request is approved, [this Policy]⁵[Participating Employer's plan of insurance]⁵ will be reinstated on the date stated in writing by the *Company*. [This Policy]⁵[The Participating Employer's plan of insurance]⁵ will be reinstated lacking such approval of the request, upon the 45th day following the date of conditional receipt of the request, unless the *Company* has previously notified the [Policyholder]⁵[Participating Employer]⁵ in writing of its disapproval of the request. If this request is not approved, all unearned premiums will be returned.

GENERAL PROVISIONS

THE CONTRACT

The entire contract is made up of these items:

- this Policy, including the certificate which then applies to each insured class;
- the Policyholder's application, a copy of which is attached;
- the applications and/or enrollment forms of the individual insureds;
- [the Participating Employer's application, and the applications and/or enrollment forms of the individual insureds.]³⁵

All statements made by the Policyholder [and Participating Employers]³⁵ are representations and not warranties.

This Policy may be changed at any time by a written agreement between the Policyholder and the *Company*. The provisions of this Policy may be changed or waived only by a *Company* executive officer and then only in writing.

AGENCY

The [Policyholder]⁵[Participating Employer]⁵ is not the *Company's* agent for any purpose under this Policy.

CERTIFICATES

The *Company* will issue certificates to the [Policyholder]^{5,36}[Participating Employer]^{5,36}[authorized agent]³⁶. The [Policyholder]^{5,36}[Participating Employer]^{5,36}[authorized agent]³⁶ must provide a [copy of a]³⁷ certificate to each insured employee. Such certificates will describe such person's benefits and rights under this Policy.

COMPLIANCE WITH LAW

On the date this Policy takes effect, some of its provisions may conflict with an applicable law. If so, any such provision is changed to comply with the minimums required by such law.

CLERICAL ERROR

A clerical error may be made by the *Company* or the [Policyholder]⁵[Participating Employer]⁵ in keeping the data. If so, when the error is found the premium and/or benefits will be adjusted according to the correct data. An error will not end insurance validly in force, nor will it continue insurance validly ended.

DATA NEEDED

The [Policyholder]⁵[Participating Employer]⁵ will keep a record of all the data needed to compute premiums and carry out the terms of this Policy. The *Company* can examine such data at any reasonable time.

GENERAL PROVISIONS

INCONTESTABILITY

Of this Policy

The *Company* will not contest this Policy after it has been in force for 2 years from its effective date (or date of last reinstatement), except for non-payment of premiums[or fraudulent misrepresentation]³⁸. [A Participating Employer's participation in a trust cannot be contested after two years from the effective date of participation, except for non-payment of premiums.]³⁹

Of a person's insurance

The *Company* will not use a person's statements relating to insurability to contest insurance after it has been in force for 2 years during the person's life, except for non-payment of premium[or fraudulent misrepresentation]³⁸. Such 2 - year period begins on the person's effective date of coverage [(or date of last reinstatement)]⁴⁰ and excludes any period during which such person was disabled. The *Company* will also not use such statement, except fraudulent statements, to contest an increase or benefit addition to the person's insurance after the increase or benefit addition has been in force for 2 years during such person's life. Such 2 - year period begins on the person's effective date of the increase or benefit addition [(or date of last reinstatement)]⁴⁰ and excludes any period during which such person was disabled.

These statements must be in writing on a form satisfactory to the *Company* and signed by the person. A copy of this form will be given to the person.

INTERPRETATION OF THE POLICY

This Policy is delivered in and is governed by the laws of the governing jurisdiction and to the extent applicable, by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

If this Policy comprises a part of an employee benefits plan, the *Company* is granted the authority to determine eligibility, make all factual determinations and to construe all terms of this Policy. The *Company* has no responsibility or control with respect to any other benefit which may be provided beyond this Policy or any other plan of benefits.

LIMIT ON AGENT'S AUTHORITY

No agent may change or waive any provision of the Policy. Any change or waiver must be approved in writing by an officer of the *Company*.

NEW ENTRANTS

New persons may be insured according to the terms of this Policy.

POLICY NON-PARTICIPATING

The Policy does not pay dividends.

TIME PERIOD

For purposes of effective dates and ending dates under [this Policy]⁵[the Participating Employer's plan of insurance]⁵, all days begin at 12:01 a.m. and end at 12:00 midnight at the [Policyholder's]⁵[Participating Employer's]⁵ address.

CERTIFICATE OF INSURANCE

[The *Company* certifies that certain eligible persons are insured for the benefits described in this certificate. This insurance is subject to the eligibility and effective date requirements described in the [EMPLOYEE]⁴ ELIGIBILITY section of this certificate.]⁵

[DATE YOUR INSURANCE TAKES EFFECT

[Your insurance will take effect on the date shown on the [sticker]⁶. You must be Actively at Work in an eligible class on this date. If you are not, your insurance will take effect on the day you resume such work.]⁸

[Your insurance will take effect on the date shown on the [sticker]⁶ if you are Actively at Work on this date, and you have been Actively at Work in an eligible class for the 5 consecutive days immediately prior to this date. Otherwise, your insurance will take effect on the date immediately following a period of 5 consecutive days of Full-Time work, provided you are Actively at Work on that date.]⁹

The date insurance is to take effect might not be a scheduled workday. If so, you will be considered Actively at Work on such date if you were Actively at Work [on your last scheduled workday]⁸ [for the 5 consecutive workdays immediately prior to this date]⁹. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.]⁷

IMPORTANT NOTICE

[This certificate is a summary of the group policy provisions that affect **your** insurance. It is merely evidence of the insurance provided by such policy for _____¹¹ (the Policyholder).

The group policy is a contract between the *Company* and the Policyholder. It may be changed or ended without notice to or consent of any insured person.

This certificate replaces any certificate previously issued by the *Company* to you under the group policy.

[This certificate replaces any certificate previously issued by another AIG company to you under that AIG company's group policy.]¹²

The benefits described in this certificate are provided by group policy no. _____¹¹.]¹⁰

[The *Company* is providing this electronic version of the certificate at the request of the [Policyholder][Participating Employer]. [The [Policyholder][Participating Employer] maintains the group policy, which includes a copy of the certificate. The group policy is available for you to review and copy.]¹⁴ If there is any conflict between the information in this electronic version of the certificate and the group policy, the group policy will control in all respects.]¹³

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SCHEDULE OF BENEFITS¹⁸

[SHORT TERM DISABILITY BENEFITS]¹⁹

[Class 1]²⁰ [All Employees]²⁰

[Policy Effective Date:]²¹

[MONTH DD, YR]²¹

[Amendment Effective Date:]²¹

[MONTH DD, YR]²¹

[Policy Anniversary Date:]²¹

[MONTH DD, YR]²¹ and each subsequent [MONTH DD]²¹

[Waiting Period:]²²

Present Eligible Persons

[XXXXXX]²²

Future Eligible Persons

[XXXXXX]²²²²

[Elimination Period:]²³

- for Injury
- for Sickness

[0-31 consecutive days]²³
[see sticker]⁶

[0-31 consecutive days]²³
[see sticker]⁶

[If you are Hospital-Confined as an Inpatient, benefits begin immediately.]²⁴

[If you are an Outpatient for surgery, benefits begin immediately.]²⁵²³

Maximum benefit per week of Disability²⁷

(Percentage)²⁶

[20-70%]²⁷ of your Weekly Earnings, up to [\$100-5,000]²⁷ [*]²⁸

Maximum benefit per week of Disability²⁷

(Flat)²⁶

[\$100-5,000]²⁷ per week[, not to exceed [20-70%]²⁷ of your Weekly Earnings]²⁸

Maximum benefit per week of Disability²⁷

(Voluntary)²⁶

The amount you elected in [\$10-100]²⁷ increments and are paying premiums on [as shown on the sticker]⁶, not to exceed [20-70%]²⁷ of your Weekly Earnings, subject to a minimum benefit election of [\$10-100]²⁷ and a maximum benefit of [\$100-5,000]²⁷

SCHEDULE OF BENEFITS¹⁸

[SHORT TERM DISABILITY BENEFITS]¹⁹

[*The following applies to your Weekly Benefit in excess of [\$100-5,000]²⁷

You must submit Evidence of Insurability to the *Company*. You will be insured for your Weekly Benefit in excess of [\$100-5,000]²⁷ on the later of:

- the date the *Company* approves your Evidence of Insurability form, or
- the date your Weekly Benefit in excess of [\$100-5,000]²⁷ is effective.]²⁸

Your payment may be reduced by Deductible Sources of Income and Disability Earnings. Some disabilities may not be covered [, or may have limited coverage,]²⁸ under the group policy.

Maximum Period of Payment²⁹

[1-52]²⁹ weeks

Minimum benefit per week of Disability³⁰

[\$0-25]³⁰

Change In Amount Of Your Insurance

A change in your status may result in a change in your amount of insurance.

For a decrease

If insurance is to end or decrease, such change will take effect on the date of change.

For an increase

[An increase in your amount of insurance will take effect on the [first day of the month]³¹ [policy anniversary]³¹ [January 1]³¹ [coinciding with or]³¹ [next following]³¹ the date of change.]³²

[An increase in your amount of insurance will take effect on the date stated in writing by the *Company*.]³²

You must be Actively at Work in an eligible class on the date an increase in your insurance is to take effect. If you are not, such increase will take effect on the date you resume such work.

The date the increase is to take effect may not be a scheduled workday. If so, you will be considered Actively at Work on such date, if you were Actively at Work on your last scheduled workday. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.

[An increase in your amount of insurance may be subject to a pre-existing condition limitation as described in the **PRE-EXISTING CONDITIONS** subsection of the **LIMITATIONS** provision.]³³

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

[Class 1]²⁰ [All Employees]²⁰

[Policy Effective Date:]²¹

[MONTH DD, YR]²¹

[Amendment Effective Date:]²¹

[MONTH DD, YR]²¹

[Policy Anniversary Date:]²¹

[MONTH DD, YR]²¹ and each subsequent [MONTH DD]²¹

[Waiting Period:]²²

Present Eligible Persons

[XXXXX]²²

Future Eligible Persons

[XXXXX]²²²²

[Elimination Period:]²³

[the later of:]²⁷

- [30-1,825]²³ days[, or
- the date your Salary Continuation or Accumulated Sick Leave ends, if applicable]²⁷

OR

[see sticker]⁶²³

(Percentage)²⁶

Maximum benefit per month of Disability²⁷

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

Maximum benefit per month of Disability²⁷

(Flat)²⁶

[\$100-40,000]²⁷ per month[, not to exceed [20-80%]²⁷ of your Monthly Earnings]²⁸

Maximum benefit per month of Disability²⁷

(Voluntary)²⁶

The amount you elected in [\$10-1,000]²⁷ increments and are paying premiums on [as shown on the sticker]⁶, not to exceed [20-80%]²⁷ of your Monthly Earnings, subject to a minimum benefit election of [\$100-40,000]²⁷ and a maximum benefit of [\$100-40,000]²⁷

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Maximum benefit per month of Disability²⁷

Core Plan²⁶

(Percentage)²⁶

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

(Flat)²⁶

[\$100-40,000]²⁷ per month[, not to exceed [20-80%]²⁷ of your Monthly Earnings]²⁸

(Buy-Up Plan)²⁶

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

[*The following applies to your Monthly Benefit in excess of [\$100-40,000]²⁷:

You must submit Evidence of Insurability to the *Company*. You will be insured for your Monthly Benefit in excess of [\$100-40,000]²⁷ on the later of:

- the date the *Company* approves your Evidence of Insurability form, or
- the date your Monthly Benefit in excess of [\$100-40,000]²⁷ is effective.]²⁸

Your payment may be reduced by [Direct]²⁸ [and]²⁸ [Indirect]²⁸ Deductible Sources of Income and Disability Earnings. Some disabilities may not be covered [, or may have limited coverage,]²⁸ under the group policy.

Minimum benefit per month of Disability³⁰

[the greater of:

- [1-15%]³⁰ of your Gross Disability Payment, or
-]³⁰[\$50-500]³⁰

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Maximum Period of Payment for each Injury or
Sickness:²⁹

(SSNRA)²⁶

- [if Disability begins prior to age 60 to Social Security Normal Retirement Age (SSNRA)*
- if Disability begins at attained age:

60	60 months or to SSNRA*, whichever is greater
61	48 months or to SSNRA*, whichever is greater
62	42 months or to SSNRA*, whichever is greater
63	36 months or to SSNRA*, whichever is greater
64	30 months or to SSNRA*, whichever is greater
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

*Age at which you are entitled to unreduced Social Security benefits based on the Social Security Amendments of 1983.

Year of Birth	Normal Retirement Age
1937 or before	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943 - 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or after	67] ²⁹

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

(1-10 year benefit duration)²⁶

- [if Disability begins prior to age 64 to the lesser of [1-10 years]²⁹ or up to age 65
- if Disability begins at attained age 64 and over 12 months]²⁹

(to Age 65)²⁶

- [if Disability begins prior to age 60 to age 65, but not less than 5 years
- if Disability begins at attained age:

60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months] ²⁹

(65/5/70)²⁶

- [if Disability begins prior to age 60 to age 65, but not less than 5 years
- if Disability begins at attained age:

60 to 64	5 years
65 to 68	to age 70
69 and over	one year] ²⁹

(to Age 70)²⁶

- [if Disability begins prior to age 69 to age 70
- if Disability begins at attained age 69 and over one year]²⁹

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Change In Amount Of Your Insurance

A change in your status may result in a change in your amount of insurance.

For a decrease

If insurance is to end or decrease, such change will take effect on the date of change.

For an increase

[An increase in your amount of insurance will take effect on the [first day of the month]³¹ [policy anniversary]³¹ [January 1]³¹ [coinciding with or]³¹ [next following the]³¹ date of change.]³²

[An increase in your amount of insurance will take effect on the date stated in writing by the *Company*.]³¹

You must be Actively at Work in an eligible class on the date an increase in your insurance is to take effect. If you are not, such increase will take effect on the date you resume such work.

The date the increase is to take effect may not be a scheduled workday. If so, you will be considered Actively at Work on such date, if you were Actively at Work on your last scheduled workday. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.

[An increase in your amount of insurance may be subject to a pre-existing condition limitation as described in the **PRE-EXISTING CONDITIONS** subsection of the **LIMITATIONS** provision.]³³

DEFINITIONS³⁴

Accident means an event or occurrence which is sudden, unforeseen and unintended.

Active Work and **Actively at Work** means that:

- you are working for your Employer for earnings that are paid regularly, and
- you are performing the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ on a Full-Time basis. This must be done at the Employer's business, an alternative worksite at the direction of your Employer, such as your home, or any place to which such business requires you to travel.

Activities of Daily Living means the following activities:

- Bathing - the ability to wash oneself in either a tub or shower, or by sponge bath; including the tasks of getting into and out of the tub or shower with or without the assistance of equipment;
- Dressing - the ability to put on, take off, and secure all necessary and appropriate items of clothing and any necessary braces or artificial limbs;
- Toileting - the ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene with or without the assistance of equipment;
- Transferring - the ability to move in and out of bed, chair, or wheelchair with or without the assistance of equipment;
- Mobility - the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment;
- Eating - the ability to get nourishment into the body by any means once it has been prepared and made available to one with or without the assistance of equipment; and
- Continence - the ability to voluntarily maintain control of bowel and/or bladder function or, in the event of incontinence, the ability to maintain a reasonable level of personal hygiene.

Any activity of daily living that you are not able to perform, without Stand-By Help, prior to the effective date of your coverage will not be covered.³⁴

Change In Family Status means:

- your marriage;
- the birth or adoption of a child, or becoming the legal guardian of a child;
- [the death of, or divorce from, your spouse; or]³⁶
- [the death of, or emancipation of, a child.]³⁶

DEFINITIONS³⁴

Child Care Expenses means the amount you spend for care of your Children in order for you to work or be trained under a Rehabilitation Program. To qualify:

- your Children must be under age [13]³⁷, or unable to earn a living because physical or mental handicap; and
- the person who cares for your Children cannot be an Immediate Family Member.

Proof of physical or mental handicap must be sent to the *Company*.

The [weekly]³⁸ [monthly]³⁸ expenses that you incur for Child Care Expenses must be documented by receipts from the child care provider which include the child care provider's social security number or taxpayer identification number.³⁴

Children means your children whom you support. "Children" includes stepchildren, foster children, adopted children, and children who are in the process of adoption and supported by you.

Civil Union Partner means a same-sex relationship similar like marriage that is recognized by law.^{36a}

Cognitive Impairment means that you have been certified by a Doctor as having a deterioration or loss in intellectual capacity, resulting from Injury, Sickness, Alzheimer's disease or similar forms of irreversible dementia, and you need another person's active help or verbal guidance for your own protection and the protection of others.

Cognitive Impairments due to, caused by, or contributed to by, cognitive conditions that began prior to the effective date of your coverage will not be covered.³⁴

Complications of Pregnancy means:

- conditions distinct from pregnancy, but caused or affected by it, which require hospitalization, provided the pregnancy does not terminate during such hospitalization;
- non-elective caesarian section;
- a terminated ectopic pregnancy; or
- a spontaneous termination of pregnancy which occurs when a viable birth is not possible.

Confined or Confinement means an admitted hospital stay of at least 8 hours a day.³⁴

Consumer Price Index (CPI-W) means the index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. It measures on a periodic (usually monthly) basis the change in the cost of typical urban wage earners' and clerical workers' purchase of certain goods and services. If the index is discontinued or changed, the *Company* may use another nationally published index that is comparable to the CPI-W.³⁴

Conversion Period means the [30-90]³⁹ days after insurance ends.³⁴

Deductible Sources of Income, as listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. This income will be subtracted from your Gross Disability Payment.³⁴

DEFINITIONS³⁴

Direct Deductible Sources of Income, as listed in the **[DIRECT]**³⁶ **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. [This income may be subtracted from your Gross Disability Payment using the methods described in the **IF YOU ARE DISABLED AND NOT WORKING** and the **IF YOU ARE DISABLED AND WORKING** provisions, and from your **[Indexed]**³⁶ Monthly Earnings using the methods described in the **IF YOU ARE DISABLED AND WORKING** provision.]^{36, 34}

Disability or Disabled^{40a} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy, and that you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ due to your Sickness or Injury and you are not working in any occupation.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ does not alone mean that you are Disabled.^{40a}

Disability or Disabled^{40b} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ due to your Sickness or Injury; **[and][or]**
- you have a **[15-80%]**³⁹ or more loss in **[Indexed]**³⁶ **[Monthly]**³⁸**[Weekly]**³⁸ Earnings due to the same Sickness or Injury; **[and]**
- **[during the Elimination Period you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury; and you are not working in any occupation; [or]]**³⁶
- **[you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and**
 - your license to practice your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ has been revoked due to the Infectious and Contagious Disease causing the Disability;
 - you or your license have limitations or restrictions imposed, and, as a result, you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵; or
 - it has been disclosed that you are infected with an Infectious and Contagious Disease; and
 - you have a **[15-80%]**³⁹ or more loss in **[Indexed]**³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.]³⁶

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ does not alone mean that you are Disabled.^{40b}

DEFINITIONS³⁴

Disability or Disabled^{40c} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury;[and][or]
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; [and]
- [during the Elimination Period you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury; and you are not working in any occupation; [or]]³⁶
- [you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and
 - your license to practice your [Regular Occupation]³⁵[Regular Job]³⁵ has been revoked due to the Infectious and Contagious Disease causing the Disability;
 - you or your license have limitations or restrictions imposed, and, as a result, you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵; or
 - it has been disclosed that you are infected with an Infectious and Contagious Disease; and
 - you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.]³⁶

After Disability benefits have been payable for [6 – 60]³⁹ months, you will continue to receive payments, if you are also:

- working in any occupation and continue to have a [15-80%]³⁹ or more loss in your [Indexed]³⁶ Monthly Earnings due to your Sickness or Injury; or
- not working, and due to the same Sickness or Injury, are unable to perform the duties of any Gainful Occupation for which you are reasonably fitted by education, training, or experience.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ does not alone mean that you are Disabled.^{40c}

DEFINITIONS³⁴

Disability or Disabled^{40d} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury;
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; or
- while you are unable to perform all of the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵, you are unable to work in any occupation, and have at least a [15-80%]³⁹ or more loss in your [Indexed]³⁶ Monthly Earnings.

After Disability benefits have been payable for [6 – 60]³⁹ months, you will continue to receive payments if you remain Disabled, as defined above, and

- you are continuously unable to perform 2 or more Activities of Daily Living without Stand-By Help;
- you have a Cognitive Impairment; or
- you have a terminal illness.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ does not alone mean that you are Disabled.^{40d}

Disability or Disabled^{40e} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are not working, and due to your Sickness or Injury, are unable to perform the duties of any Gainful Occupation for which you are reasonably fitted by education, training or experience; [and]
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; [and]
- [during the Elimination Period you are unable to work in any occupation; [or]]³⁶
- [you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and
 - it has been disclosed that you are infected with an Infectious and Contagious Disease;
 - you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.^{40e}

Disability Earnings means the earnings that you receive while you are Disabled and working [plus the earnings you could receive if you were working to your Maximum Capacity].^{36, 34}

DEFINITIONS³⁴

Doctor means:

- a person performing tasks that are within the limits of his or her medical license; and
- a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- a person with a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- a person who is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

The Doctor may not be you, or an Immediate Family Member. The Doctor cannot reside with you, or be retained by your Employer.

Domestic Partner means an unmarried same or opposite sex adult who [meets either of the following criteria:

- 1.]³⁶ resides with you and has registered in a state or local domestic partner registry with you[; or
2. has met all of the following requirements:
 - has resided with you and shared financial assets and obligations with you for at least [6-24]³⁹ consecutive months immediately preceding the effective date of coverage;
 - is not related by blood to you to a degree of closeness that would prohibit a legal marriage;
 - is at least the age of consent in the state in which they reside; and
 - neither you nor his or her partner is married to anyone else, or has any other Domestic Partner]³⁶.

[The *Company* may require proof of the relationship [in the form of a signed and completed [Affidavit]⁴¹ [Declaration]⁴¹]³⁶.

[If proof of domestic partnership, as described, is provided to the *Company*, references to Spouse will read Domestic Partner as it applies, unless specifically stated otherwise.]^{36, 36b}

Eligible Survivor means your Spouse if living, otherwise, your Children under age [19-25].^{39, 34}

Elimination Period means a period of continuous Disability that must be satisfied before you are eligible to receive benefits from the *Company*. You must be under the Regular Care of your Doctor during the Elimination Period. The duration of the Elimination Period is shown in the Schedule of Benefits. Benefits begin on the day after the Elimination Period is completed. [If Disability stops during the Elimination Period for [1-365 days]³⁹ or less, then the Disability will be treated as continuous. The days that you are not Disabled will not count toward your Elimination Period.]³⁶ [You can satisfy the Elimination Period if you are working, providing you meet the definition of Disability.]³⁶

Employer means the [Policyholder]⁴¹[Participating Employer]⁴¹[], and includes any division, subsidiary or affiliated company which is reported to the *Company* in writing for inclusion under the group policy, provided that the *Company* has approved such request].³⁶

DEFINITIONS³⁴

Evidence of Insurability means a statement or proof of a person's medical history upon which acceptance for insurance will be determined by the *Company*. Evidence of Insurability will be provided at your own expense.³⁴

Full-Time means Active Work on the Employer's regular work schedule for the class of employees to which you belong. The work schedule must be [20-60]³⁹ hours a week.³⁴

Gainful Occupation means an occupation that is, or can be, expected to provide you with an income equal to the lesser of your gross Monthly Benefit or [\$6,000-15,000]³⁹ per month within 12 months of your return to work.^{35, 34}

Gainful Occupation means an occupation that is, or can be, expected to provide you with an income equal to [60%, 80%]⁴¹ of your Indexed Monthly Earnings within 12 months of your return to work.^{35, 34}

Gainful Work means the performance of any occupation for wages, remuneration, or profit, for which you are qualified by education, training or experience on a Full-Time or Part-Time Basis, for the Employer or another employer, and which the *Company* approves, and for which the *Company* reserves the right to modify approval in the future.³⁴

Generally Accepted Medical Practice or **Generally Accepted in the Practice of Medicine** means care and treatment as determined by the *Company*.

Gross Disability Payment means the benefit amount before the *Company* subtracts Deductible Sources of Income, Disability Earnings [, and any tax withholdings]^{36, 35}.

Gross Disability Payment means the benefit amount before the *Company* subtracts [Direct]³⁶ [and]³⁶ [Indirect]³⁶ Deductible Sources of Income and Disability Earnings.³⁵

Hospital or Institution means an accredited facility licensed to provide care and treatment for the condition causing your Disability.³⁴

Hospital-Confined means you are Confined as an In-Patient in a Hospital or Institution.³⁴

Immediate Family Member means a person who is related to you in any of the following ways: Spouse; brother-in-law; sister-in-law; son-in-law; daughter-in-law; mother-in-law; father-in-law; parent (includes stepparent); grandparent; brother or sister (includes stepbrother or stepsister); Children; aunt; uncle; niece; nephew, or grandchild.

Indexed Monthly Earnings means your Monthly Earnings adjusted on each anniversary of benefit payments by [the lesser of [7-10%]³⁹ or]³⁶ [the current annual percentage in the Consumer Price Index]³⁶. Your Indexed Monthly Earnings may increase or remain the same, but will never decrease.

Indexing is only used to determine your percentage of lost earnings while you are Disabled and working.³⁴

Indirect Deductible Sources of Income, as listed in the [INDIRECT]³⁶ **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. [Portions of this income may be subtracted from your Gross Disability Payment using the methods described in the **IF YOU ARE DISABLED AND NOT WORKING** and the **IF YOU ARE DISABLED AND WORKING** provisions and from your [Indexed]³⁶ Monthly Earnings using the methods described in the **IF YOU ARE DISABLED AND WORKING** provision.]^{36, 34}

DEFINITIONS³⁴

Infectious and Contagious Disease means a disease that is categorized by the Center for Disease Control as infectious and contagious.³⁴

Injury means a bodily Injury that is the direct result of an Accident and not related to any other cause. Injury that occurs before you are insured under the group policy will be treated as a Sickness.

Inpatient means an individual who is physically Confined as a registered bed patient in a Hospital or Institution.³⁴

Law, Plan, or Act means the original enactment of the law, plan, or act and all amendments.

Material and Substantial Duties means duties that:

- are normally required for the performance of your [Regular Occupation]³⁵[Regular Job]³⁵, and
- cannot be reasonably omitted or modified [except that if you are required to work on an average in excess of [10-40]³⁹ hours a week, the *Company* will consider you able to perform that requirement if you are working, or have the capacity to work, [10-40]³⁹ hours a week.]³⁶

Maximum Capacity means, based on your restrictions and limitations, the greatest extent of work that you are able to do in your [Regular Occupation]³⁵[Regular Job]³⁵.

The “greatest extent of work” that you are able to do will be determined during the *Company*’s evaluation of your short term disability claim. During the evaluation period, the *Company* will interview you, your Employer, your Doctor, and any other medical professional that is involved in your treatment. The *Company* may also employ vocational rehabilitation specialists to assist in the evaluation process. After your medical information and your vocational rehabilitation information, if any, is analyzed, the *Company* will then determine the “greatest extent of work” that you are able to do in your [Regular Job]³⁵[Regular Occupation]^{35 34, 35}.

Maximum Capacity means, based on your restrictions and limitations, [:

- during the first [6-60]³⁹ months of Disability,]³⁶ the greatest extent of work that you are able to do in your [Regular Occupation]³⁵[Regular Job]³⁵], and
- beyond [6-60]³⁹ months of Disability, the greatest extent of work that you are able to do in any occupation for which you are reasonably fitted by education, training or experience.]³⁶

The “greatest extent of work” that you are able to do will be determined during the *Company*’s evaluation of your long term disability claim. During the evaluation period, the *Company* will interview you, your Employer, your Doctor, and any other medical professional that is involved in your treatment. The *Company* may also employ vocational rehabilitation specialists to assist in the evaluation process. After your medical information and your vocational rehabilitation information, if any, is analyzed, the *Company* will then determine the “greatest extent of work” that you are able to do in your [Regular Job]³⁵[Regular Occupation]³⁵ or in any Gainful Occupation.^{34, 35}

Maximum Period of Payment means the longest period of time that the *Company* will make payments to you for any one period of Disability.

Maximum Period of Child Care Payment means the longest period of time the *Company* will make child care payments to you for any one period of Disability.³⁴

DEFINITIONS³⁴

Maximum Period of Rehabilitation Payment means the longest period of time the *Company* will make rehabilitation payments to you for any one period of Disability.³⁴

Medical Expenses means the reasonable costs that you incur for medical treatment, physical therapy, and adaptive equipment, to the extent not otherwise provided, for your vocational rehabilitation.

The *Company* will pay only those costs that are not otherwise covered by health care insurance, workers' compensation, or any public fund or program.³⁴

Mental Illness means a psychiatric or psychological condition, regardless of cause, such as schizophrenia, depression, manic depressive or bipolar illness, anxiety, personality disorders and/or adjustment disorders or other conditions. These conditions are usually treated by a mental health provider, or other qualified provider, using psychotherapy, psychotropic drugs, or other similar methods of treatment as Generally Accepted in the Practice of Medicine.

Mental Illness does not include dementia, organic brain syndromes, delirium, amnesia syndromes or organic delusional or hallucinogenic syndromes.³⁴

Military means the armed land, sea or air force of a nation.

Monthly³⁸ **[Weekly]**³⁸ **Benefit** means the total benefit amount for which you are insured under the group policy subject to the maximum benefit.

[Monthly Earnings]⁴² means your monthly compensation from your Employer.

[Earnings Definition for All Employees]⁴²

[Earnings Definition [for Business Owners, Partners or Sole Proprietors]]^{36,42}

[Earnings Definition for [All Other]]³⁶ **Employees [excluding hourly]**^{36,42}

[Earnings Definition for Hourly Employees]⁴²

[If you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder, Monthly Earnings include:

- **[your average monthly compensation from your Employer during the Employer's prior [two]]**³⁶ **tax year[s]]**^{36,42}
- **[the average monthly compensation received by your professional corporation from the Employer during the Employer's prior [two]]**³⁶ **tax year[s]]**³⁶. The *Company* will calculate Monthly Earnings by adding the following items as reported on the applicable Schedule K-1, Schedule C, Form W-2 Medicare wages and tips, or S-Corporation federal income tax return and divide the total by **[12, 24]**⁴¹, or by the number of months that you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder if less than **[12 months, 24 months]**⁴¹:
 - your ordinary income from trade or business activities;
 - your guaranteed payments if you were a Partner;
 - your net profit from the business;
 - your compensation (as an officer), salary or wages, if you were a S-Corporation Shareholder^{42,42}

[Monthly Earnings include:]⁴²

- **[your [average]]**³⁶ **monthly rate of compensation from your Employer including:]**⁴²
 - **[average]]**³⁶ **monthly salary]]**³⁶ **[(but not for more than [15-40]]**³⁹ **hours a week)]**⁴²
 - **[regular hourly wages]]**³⁶ **[(but not for more than [15-40]]**³⁹ **hours a week)]**⁴²
 - **[commissions averaged over the preceding [12-36]]**³⁹ **months or the period of your employment if less than [12-36]]**³⁹ **months]**⁴²

DEFINITIONS³⁴

- [bonuses averaged over the preceding [6-36]³⁹ months or the period of your employment if less than [6-36]³⁹ months]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Gross taxable income as reported on your W-2 as Medicare wages and tips for the full tax year immediately prior to the last day you were Actively at Work before your Disability. [If you cannot meet this requirement, your W-2 earnings will be averaged for the [period of Full time Active Work for your Employer.]³⁶ [prior year, if less than 12 months.]³⁶]⁴²]⁴²
- [Income you earn as a private contractor on IRS form 1099 earnings]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement]³⁶]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]⁴²

[If you are paid an annual contract salary, your Monthly Earnings will be based on your annual contract salary divided by 12, regardless of the number of months you receive a check.]⁴²

[If you are an hourly employee, your Monthly Earnings will be based on the average number of hours worked per month [during the [2-24]³⁹ months immediately preceding the date of Disability.]⁴²]⁴²

[The *Company* will determine your Monthly Earnings based on the terms above for your monthly compensation in effect on your last full day of Active Work preceding your Disability.]⁴²

[If you become Disabled while you are on a covered layoff [, furlough]³⁶ or leave of absence, the *Company* will determine your Monthly Earnings based on the terms above for your monthly compensation in effect on your last full day of Active Work.]⁴²

[Monthly Earnings do not include:

- [Commissions]⁴²
- [Bonuses]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Your Employer's contributions on your behalf to any deferred compensation plan or Pension Plan]⁴²
- [Income you earn on IRS form 1099]⁴²
- [Stock options]⁴²
- [Dividends]⁴²
- [Capital Gains and Returns of Capital]⁴²]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement;]⁴²]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]^{42, 42}

DEFINITIONS³⁴

Monthly Payment means your payment after any [Direct]³⁶ [and]³⁶ [Indirect]³⁶ Deductible Sources of Income and Disability Earnings have been subtracted from your Gross Disability Payment.³⁴

Moving Expenses means the cost that you incur to move more than 35 miles so that you can attend school or accept Gainful Work.³⁴

Non-Occupational Sickness or Injury means an Injury or Sickness for which a person is not entitled to benefits from any worker's compensation law, occupational disease law or similar law. You will be considered to be entitled to benefits from a worker's compensation law, occupational disease law or similar law if you are eligible to enroll in such a plan but elect not to participate.³⁴

Occupational Sickness or Injury means an Injury arising out of, or in the course of, any work for wage or profit regardless of employer, or a Sickness covered, with respect to such work, by any worker's compensation law, occupational disease law or similar Law.³⁴

Open Enrollment Period means the [31-90]³⁹ day period before the [policy]³⁶ anniversary during which those persons who previously waived coverage may apply.³⁴

Outpatient means a patient who does not reside in a Hospital or Institution in which he or she has received treatment.³⁴

Paramilitary means an organized, armed force on a Military pattern.

Participation will include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but does not include:

- actions taken in defense of public or private property, or
- actions taken in defense of the person of the insured, if such actions of defense are not taken against persons seeking to maintain or restore law and order including, but not limited to, police officers and firefighters.

Part-Time Basis means the ability to work and earn between [20% and 80%]³⁹ of your [Indexed]³⁶ Monthly³⁸ [Weekly]³⁸ Earnings.

Pay Period means a recurring length of time over which an employee's time is recorded and paid.³⁴

Pension Plan means a qualified defined contribution Pension Plan, profit sharing plan, or other plan approved by the *Company*, in which you are participating as a result of your employment with the Employer.³⁴

Prior Plan means a plan sponsored by the Employer in which you participated and which offered materially similar benefits to this plan.³⁴

DEFINITIONS³⁴

Recurrent Disability means a period of Disability that is:

- caused by a worsening in your condition, and
- due to the same cause(s) as your prior Disability, or due to a related cause, for which the *Company* made a long term disability payment.³⁴

Regular Care means:

- you personally visit a Doctor as frequently as medically required, according to Generally Accepted Medical Practice, to effectively manage and treat your disabling condition(s);
- you are receiving appropriate treatment and care of your disabling condition(s) which conforms with Generally Accepted Medical Practice by a Doctor whose specialty or experience is the most appropriate for your disabling condition(s), according to Generally Accepted Medical Practice; and
- you are receiving or actively seeking appropriate physical or psychological rehabilitative services.

Regular Job means the job that you were performing for your Employer on the day before Disability began.^{34,35}

Regular Occupation means the occupation that you are routinely performing when your Disability begins. The *Company* will look at your occupation as it is normally performed in the local economy, instead of how the work tasks are performed for a specific employer or at a specific location.^{34, 35}

Rehabilitative Employment means employment that is part of a Rehabilitation Program. Any program of Rehabilitative Employment must be approved, in writing, by the *Company*.³⁴

Rehabilitation Program means a program designed to assist you to return to work.³⁴

Retirement Plan means a defined benefit or defined contribution plan that provides benefits for your retirement and which is not funded wholly by your contributions. It does not include a profit sharing plan; thrift, savings or stock ownership plans; a non-qualified deferred compensation plan; or an individual retirement account (IRA), a tax sheltered annuity (TSA), Keogh Plan, 401(K) Plan, or 403(b) plan.

Riot includes all forms of public violence, disorder, or disturbance of the public peace, by 3 or more persons assembled together, whether or not acting with a common intent and whether or not damage to persons or property or unlawful act or acts is the intent or consequence of such disorder.

Salary Continuation or Accumulated Sick Leave means continued payments to you by your Employer of all or part of your [Weekly]³⁸ [Monthly]³⁸ Earnings, after you become Disabled. This continued payment must be part of an established formal or informal plan maintained by your Employer for the benefit of all employees insured under the group policy. Salary Continuation or Accumulated Sick Leave does not include compensation paid to you by your Employer for work you actually perform after your Disability begins. Such compensation is considered Disability Earnings, and would be taken into account in calculating your [Weekly]³⁸ [Monthly]³⁸ Payment.³⁴

Self-Reported Symptoms means manifestations of your conditions that you tell your Doctor that are not verifiable using tests, procedures or clinical examinations Generally Accepted in the Practice of Medicine. Examples of Self-Reported Symptoms include, but are not limited to: headache; pain; fatigue; stiffness; soreness; ringing in the ears; dizziness; numbness, and loss of energy.³⁴

DEFINITIONS³⁴

Sickness means illness, disease[, pregnancy, including abortion or childbirth,]³⁶ or Complications of Pregnancy.

Special Conditions means any one of the following conditions:

- musculoskeletal and connective tissue disorders of the neck, back and shoulders including any disease or disorder of the cervical, thoracic and lumbosacral spine and its surrounding soft tissue, including herniated or ruptured discs (not requiring any surgery) as well as sprains and strains of joints and adjacent muscles, **except:**
 - arthritis
 - scoliosis
 - spinal fractures
 - osteopathies
 - spinal tumors, malignancy, or vascular malformations
 - radiculopathies, documented by electromyogram
 - spondylolisthesis, grade II or higher
 - myelopathies and myelitis
 - demyelinating diseases, or
 - traumatic spinal cord necrosis
- carpal tunnel syndrome (not requiring surgery)
- chronic fatigue syndrome (not requiring surgery)
- environmental allergic illness including, but not limited to, sick building syndrome and multiple chemical sensitivity
- fibromyalgia
- myofascial pain syndrome
- herniated or ruptured discs (not requiring surgery).³⁴

Spouse means a person of the same or opposite sex who is legally married to you under the laws of the state or jurisdiction in which the marriage took place.

[Whenever the term Spouse appears in the group policy, this provision includes the definition of [Domestic Partner]^{36b} [or Civil Union Partner]^{36a} into the group policy.]^{36a, 36b}

Stand-By Help means you must have hands-on (active) help from another person with all or most of the Activities of Daily Living.³⁴

Terrorist Act means any violent act that is intended to cause Injury, damage or fear and that is committed by, or purportedly committed by, one or more individuals or one or more members of an organized group in order to:

- make a statement of the individual's or group's political, religious, or social beliefs, concepts or attitudes; and/or
- intimidate a population or government into granting the individual's or group's demands.³⁴

Waiting Period means the length of time that must pass from the initial date of eligibility until the insurance effective date.³⁴

War or Insurrection means an armed conflict between the Military or Paramilitary forces of 2 or more political entities.

DEFINITIONS³⁴

Weekly Earnings⁴² means your weekly compensation from your Employer.

[Earnings Definition for All Employees]⁴²

[Earnings Definition [for Business Owners, Partners or Sole Proprietors]³⁶]⁴²

[Earnings Definition for [All Other]³⁶ Employees [excluding hourly]³⁶]⁴²

[Earnings Definition for Hourly Employees]⁴²

[If you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder, Weekly Earnings include:

- [your average weekly compensation from your Employer during the Employer's prior [two]³⁶ tax year [s]³⁶]⁴²;
- [the average weekly compensation received by your professional corporation from the Employer during the Employer's prior [two]³⁶ tax year[s]³⁶. The *Company* will calculate Weekly Earnings by adding the following items as reported on the applicable Schedule K-1, Schedule C, Form W-2, Medicare wages and tips, or S-Corporation federal income tax return and divide the total by [52,104]⁴¹, or by the number of weeks that you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder if less than [52 weeks, 104 weeks]⁴¹:
 - your ordinary income from trade or business activities;
 - your guaranteed payments if you were a Partner;
 - your net profit from the business;
 - your compensation (as an officer), salary or wages, if you were a S-Corporation Shareholder]⁴²]⁴²

[Weekly Earnings include:]⁴²

- [your [average]³⁶ weekly rate of compensation from your Employer including:]⁴²
 - [[average]³⁶ weekly salary]³⁶ [(but not for more than [15-40]³⁹ hours a week)]⁴²
 - [regular hourly wages]³⁶ [(but not for more than [15-40]³⁹ hours a week)]⁴²
 - [commissions averaged over the preceding [12-36]³⁹ months or the period of your employment if less than [12-36]³⁹ months]
 - [bonuses averaged over the preceding [6-36]³⁹ months or the period of your employment if less than [6-36]³⁹ months]⁴²
 - [Overtime pay]⁴²
 - [Extra Compensation]⁴²
 - [Shift Differential Pay]⁴²
 - [Tips or tokens]⁴²
 - [Gross taxable income as reported on your W-2 as Medicare wages and tips for the full tax year immediately prior to the last day you were Actively at Work before your Disability. [If you cannot meet this requirement, your W-2 earnings will be averaged for the [period of Full time Active Work for your Employer.]³⁶ [prior year, if less than 52 weeks.]³⁶]⁴²]⁴²
 - [Income you earn as a private contractor on IRS form 1099 earnings]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement]⁴²]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]⁴²

DEFINITIONS³⁴

[If you are paid an annual contract salary, your Weekly Earnings will be based on your annual contract salary divided by 52, regardless of the number of weeks you receive a check.]⁴²

[If you are an hourly employee, your Weekly Earnings will be based on the average number of hours worked per the [2-26]³⁹ Pay Period(s) immediately preceding the date of Disability.]⁴²⁴²

[The *Company* will determine your Weekly Earnings based on the terms above for your weekly compensation in effect on your last full day of Active Work preceding your Disability.]⁴²

[If you become Disabled while you are on a covered layoff[, furlough]³⁶ or leave of absence, the *Company* will determine your Weekly Earnings based on the terms above for your weekly compensation in effect on your last full day of Active Work.]⁴²⁴²

[Weekly Earnings do not include:

- [Commissions]⁴²
- [Bonuses]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Your Employer's contributions on your behalf to any deferred compensation plan or Pension Plan]⁴¹
- [Income you earn on IRS form 1099]⁴²
- [Stock options]⁴²
- [Dividends]⁴²
- [Capital Gains and Returns of Capital]⁴²⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴¹
 - [an executive nonqualified deferral compensation arrangement]⁴²]
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]^{42, 42}

Weekly Payment means your payment after any Deductible Sources of Income and Disability Earnings have been subtracted from your Gross Disability Payment.³⁴

401(K) Plan means a plan that provides retirement benefits and which is not wholly funded by employee contributions. The term shall not include a profit sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan or a non-qualified plan of deferred compensation.

[EMPLOYEE]⁴ ELIGIBILITY⁴³

[ELIGIBLE CLASSES [OF EMPLOYEES]⁴]⁴³

[All [Full-Time]⁴³ employees of the Employer, as shown in the Schedule, but not those who are:

- [United States citizen living and working abroad [for more than [1-24]³⁹ months]⁴³]⁴³
- [Non-United States Citizen living and working in the United States]⁴³
- [Non-United States Citizen living and working in a country other than the country of their citizenship]⁴³
- [temporary]³⁶, [part-time]³⁶ [or seasonal]³⁶]⁴³

[WAITING PERIOD⁴⁴

Before becoming eligible for coverage under the group policy, a Waiting Period must be satisfied by each employee in an Eligible Class as shown in the Schedule.]⁴⁴

[DATE [EMPLOYEES]⁴ ARE ELIGIBLE FOR INSURANCE⁴⁵

Each employee in an eligible class on [MONTH DD, YR]⁴⁵ will be eligible for insurance on that date.

Each employee who enters an eligible class after [MONTH DD, YR]⁴⁵ will be eligible for insurance on the first day of the month coinciding with or next following the date he or she enters such class.]⁴⁵

[Rehired employees

The Employer may choose to have insurance for former employees take effect on the date they re-enter an eligible class. This choice may apply to all or some classes of employees. Such former employees must be rehired within [6-18]³⁹ months after their insurance ended. The Employer must notify the *Company* of this choice in writing. If this choice is made, it will apply to all rehired employees in the same class. If it is not made, rehired employees must complete the Waiting Period(s) shown [above.]⁴¹ [in the schedule.]⁴¹

[DATE [EMPLOYEES]⁴ INSURANCE TAKES EFFECT

Each employee in an eligible class will be insured [as follows, **except as stated below:**

If you do not pay for the cost of the insurance

Your insurance will take effect on the date you are eligible.

[EMPLOYEE]⁴ ELIGIBILITY

If you pay part or all of the cost of the insurance

You must request such insurance in writing. This request must permit the Employer to deduct premiums from your pay.

The date you are to be insured depends on the date the Employer receives the request.

If it is received:

- on or before the date you are eligible, you will be insured on the date you are eligible
- within 31 days after the date you are eligible, you will be insured on the date it is received
- more than 31 days after the date you are eligible, the *Company* will determine the day your insurance begins.⁴⁶

[If the request for coverage is not made within 31 days after the date that you are eligible, you may only apply for coverage during the Open Enrollment Period or within 31 days of a Change In Family Status. The date that you are insured will be the first of the month following the Open Enrollment Period or Change In Family Status.]⁴⁶

[Exception: Evidence of Insurability Requirement

Evidence of Insurability is required if you:

- [are a late applicant, which means that you request insurance more than 31 days after the date you are eligible;]⁴⁶
- voluntarily canceled your insurance and are reapplying;
- apply after any of your coverage ended because you did not pay a required contribution; or
- have not met a previous evidence requirement to become insured under any plan your Employer has with the *Company*.

If you are approved, you will be insured on the date stated in writing by the *Company*.⁴⁶⁴⁷

ACTIVELY AT WORK REQUIREMENT⁴⁸

[You must be Actively at Work in an eligible class on the date your insurance is to take effect. If you are not, such insurance will take effect on the day you resume such work.]⁴⁹

[You must be Actively at Work in an eligible class for the 5 consecutive days immediately prior to the date your insurance is to take effect. Otherwise, your insurance will take effect on the date immediately following a period of 5 consecutive days of Full-Time work, provided you are Actively at Work on that date.]⁵⁰

The date insurance is to take effect might not be a scheduled workday. If so, you will be considered Actively at Work on such date if you were Actively at Work [on your last scheduled workday]⁴⁹[for the 5 consecutive workdays immediately prior to this date]⁵⁰. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.⁴⁸

[EMPLOYEE]⁴ ELIGIBILITY

DATE [EMPLOYEES']⁴ INSURANCE ENDS⁵¹

Your insurance will end [at the end of the month following]⁵² [at]⁵² the earliest of:

1. the date the group policy ends;
2. the date you are not in an eligible class;
3. the date insurance ends for your class;
4. the end of the period for which the last premium has been paid for you; [or]

[5. the date your Employer ceases to be a Participating Employer;]⁵³

[6.][the [date]⁵² employment ends; except as stated in the **CONTINUATION OF INSURANCE WITH PREMIUM PAYMENT** provision, ceasing Full-Time work in an eligible class will be considered the end of employment.]⁵³

Upon notice of impending cancellation from the *Company*, the [Policyholder]⁵[Participating Employer]⁵ must notify you, in writing, not less than 5 days prior to the cancellation. Written notice of such cancellation must be presented to you or mailed to your last known address recorded in the appropriate records of the [Policyholder]⁵[Participating Employer]⁵.

SUSPENSION OF INSURANCE DURING MILITARY SERVICE⁵⁴

The *Company* will suspend your insurance on the date you go on active duty in the Military service of any country or international authority. Such duty will not include temporary active duty by reservists for Military training that lasts 90 days or less. The *Company* will refund that part of any premium paid for the period of such suspension.

You can place your insurance back in force without Evidence of Insurability or earned income as of the date of your discharge. To do so, you must apply in writing and pay the premium, both within 90 days after active duty ends.

The *Company* will base your premium on your age and class of risk when your insurance was suspended. If you were Disabled on or before the date of discharge, you must have recovered for at least 6 months before the *Company* will cover a later Disability from the same cause.⁵⁴

CONTINUATION OF INSURANCE WITH PREMIUM PAYMENT

[By The Employer

The Employer will continue your insurance by paying premiums for you:

- during your Elimination Period;
- during the period Full-Time work stops, up to [31-180]³⁹ days, for [covered layoff]⁵⁴ [, part-time work]⁵⁴ [, leave of absence]⁵⁴ [, sabbatical]⁵⁴ [, furlough]⁵⁴ [(other than a family or medical leave of absence described below)]⁵⁶ [or strike]⁵⁴ [, or
- to the end of the period below, whichever is longer, that the Employer is required to allow for a family or medical leave of absence under:
 - the Federal Family and Medical Leave Act (FMLA), or
 - any similar state Law.⁵⁶

At the end of the continuation period above, employment will be considered to end and insurance will end. Insurance will not end if, at this time, you resume Full-Time work in an eligible class.

Contact your Employer right away for details on continuation of your insurance.⁵⁵

[EMPLOYEE]⁴ ELIGIBILITY

The Family and Medical Leave Act

If you are eligible for and your Employer approves a leave of absence under the Federal Family and Medical Leave Act of 1993 (FMLA), your insurance will continue for a period of up to [12]⁵⁶ weeks following the date the leave begins (up to [26]⁵⁶ weeks if the leave is to care for a covered service member due to their serious Injury or illness) provided the Employer pays the required premiums in accordance with the provisions of the group policy. The *Company* may require written confirmation of the FMLA approval from your Employer.

You are eligible for leave under this Act in order to provide care:

- after the birth of a child
- after the legal adoption of a child
- after the placement of a foster child in your home
- to a spouse, child or parent due to their serious illness, or
- for your own serious health condition.

In addition, if your spouse, child or parent is on covered active duty or call to covered active duty status, you are eligible for leave to address certain qualifying exigencies.

If you do not continue your insurance during your FMLA leave, upon your return to active employment:

- no new Waiting Period will be applied
- no new pre-existing conditions exclusions or limitations will be applied, and
- no Evidence of Insurability will be required

to reinstate the insurance in effect before the leave began.⁵⁶

SHORT TERM DISABILITY BENEFITS

If, while insured, you become Disabled due to a [Non-Occupational]⁵⁷ Sickness or Injury and continue to be Disabled past the Elimination Period, the *Company* will pay to you the benefits described below.

The Elimination Period is shown in the Schedule of Benefits.

WEEKLY PAYMENTS

You will begin to receive Weekly Payments when the *Company* approves your claim, providing the Elimination Period has been satisfied. While you are receiving such payments, you must be under the Regular Care of your Doctor.

Payments for part of a week

After the Elimination Period, if you are Disabled for less than 1 week, the *Company* will send you [1/7th]⁵⁸ [1/5th]⁵⁸ of your payment for each day of Disability.

IF YOU ARE DISABLED AND NOT WORKING

The *Company* will calculate your Weekly Payment as follows:

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your Deductible Sources of Income from your Gross Disability Payment. This is your Weekly Payment.

IF YOU ARE DISABLED AND WORKING⁶⁰

The *Company* will send you the Weekly Payment as calculated above if you are Disabled and your weekly Disability Earnings are less than [20-100%]⁵⁹ of your Weekly Earnings.

Your loss of earnings must be a result of, or due to, the same Sickness or Injury for which you are Disabled.

The *Company* will send you a Weekly Payment if you are Disabled and your weekly Disability Earnings are between 20% and [80%]⁵⁸[100%]⁵⁸ of your Weekly Earnings. The *Company* will calculate your payment as follows:

1. subtract your Disability Earnings from your Weekly Earnings.
2. divide the answer in 1 by your Weekly Earnings. This is your percentage of lost earnings.
3. calculate your Weekly Payment as if you were Disabled and not working.
4. multiply the percentage calculated in 2 by the amount calculated in 3. This is your Weekly Payment.⁶¹

The *Company* may require you to send proof of your [weekly]⁶² Disability Earnings on a [weekly]⁶² basis. The *Company* will adjust your payment based on your [weekly]⁶² Disability Earnings.

As part of your proof of Disability Earnings, the *Company* can require that you send the *Company* appropriate financial records that the *Company* believes are necessary to substantiate your income.⁶⁰

SHORT TERM DISABILITY BENEFITS

[IF YOUR DISABILITY EARNINGS FLUCTUATE

If your Disability Earnings exceed the percentage of Weekly Earnings, listed below, and routinely fluctuate from week to week, the *Company* will average your Disability Earnings over the next 3 weeks beginning with the week in which your Disability Earnings exceeded such percentage to determine if your claim should continue, subject to all other terms and conditions of coverage.

If the *Company* averages your Disability Earnings, the *Company* will terminate your claim if the average of your Disability Earnings for a 3 week period exceeds [50-80%]⁵⁹ of Weekly Earnings.

The *Company* will **not** pay you for any week during which Disability Earnings exceed [50-80%]⁵⁹ of Weekly Earnings.⁶³

DURATION OF BENEFITS

Weekly Benefits will be paid up to the Maximum Period of Payment shown in the Schedule of Benefits. The *Company* will stop sending you payments, and your claim will end at the earliest of:

1. the end of the Maximum Period of Payment;
2. the date you are no longer Disabled;
- [3. the date the 3 week average of your Disability Earnings exceeds [50-80%]⁵⁹ of Weekly Earnings.]⁶³
- [4.] the date you fail to give proof of continuing Disability;
- [[5.] the date you decline to participate in or cooperate in a rehabilitation evaluation/assessment or program that the *Company* considers appropriate for your Disability and that has been approved by your Doctor;]⁶³
- [6.] the date you cease to be under the Regular Care of a Doctor, or you refuse to be examined or interviewed, if the *Company* requires such an examination or interview;
- [7.] the date you refuse to receive recommended treatment that is Generally Accepted in the Practice of Medicine by Doctors to cure, correct or limit your Disability;
- [8.] the date you die; or
- [9.] when you are able to return to work in your [Regular Job]⁵⁸[Regular Occupation]⁵⁸ on a Part-Time Basis but choose not to.

If the group policy ends, this will not act to end the Maximum Period of Payment.

SHORT TERM DISABILITY BENEFITS

RECURRING DISABILITY

The *Company* will treat your current Disability as part of your prior claim, and you will not have to complete another Elimination Period if:

1. you fully performed any occupation for your Employer on a [Full-Time]⁶¹ basis for less than [14-90]⁵⁹ consecutive days and your current Disability is related to or due to the same cause(s) as your prior Disability for which the *Company* made a payment; or
2. you fully performed any occupation for your Employer on a [Full-Time]⁶¹ basis for less than one full day and your current Disability is unrelated to your prior Disability for which the *Company* made a payment.

Your Disability, as outlined above, will be subject to the same terms of the group policy as your prior claim.

If you do not satisfy item 1 or 2 above, your Disability will be treated as a new claim and will be subject to all the group policy provisions.

If you become eligible for payments under any other group short term disability policy, you will not be eligible for payments under the group policy.

[DEDUCTIBLE SOURCES OF INCOME]⁶⁴

The Company will subtract from your Gross Disability Payment the following Deductible Sources of Income:

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker's compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁶⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁶⁴
- [b. individual disability income plans;]⁶⁴
- [c. other group insurance plans;]⁶⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁶⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁶⁴⁶⁴

[3. The amount that you[, your Spouse, and your Children under 18]⁶³ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁶⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁶³

SHORT TERM DISABILITY BENEFITS

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁶³ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar plan or Act.]⁶⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁶⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁶⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁶⁴

[8. The amount that you receive from any unemployment compensation Law.]⁶⁴

[9. The amount that you receive under the mandatory portion of any "no-fault" motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁶⁴

[10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁶⁴

SHORT TERM DISABILITY BENEFITS

[11. The amount that you receive from any franchise disability income plans.]⁶⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁶⁴

RULES FOR DEDUCTIBLE INCOME

Estimating benefits

When the *Company* determines that you may qualify for benefits listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, the *Company* will estimate your entitlement to these benefits. The *Company* can reduce your payment by the estimated amounts if such benefits:

- have not been awarded, and have not been denied; or
- have been denied, and the denial is being appealed.

The *Company* will **not** reduce your payment by the estimated amount if you:

- apply for disability payments listed in the **DEDUCTIBLE SOURCES OF INCOME** provision;
- appeal any denial to all administrative levels the *Company* feels are necessary; and
- sign the *Company's* payment option form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when the *Company* receives proof:

- of the amount awarded; or
- that benefits have been denied and all appeals the *Company* feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

Lump sum payments

If you receive a lump sum payment from any Deductible Source Of Income, the lump sum will be pro-rated on a weekly basis over the time period for which the sum applies. If no period is stated, the sum will be pro-rated on a weekly basis to the end of the Maximum Period of Payment.

SHORT TERM DISABILITY BENEFITS

RULES FOR DEDUCTIBLE INCOME

Cost of living increases

Other than for increases in any income you earn from any form of employment, once the *Company* has determined any source of income to be Deductible Source of Income and determines the amount to be deducted from your Gross Disability Payment, the *Company* will not further reduce your payment due to a cost of living increase from that source.

[NON-DEDUCTIBLE SOURCES OF INCOME]⁶⁴

The *Company* will not subtract from your Gross Disability Payment income you receive from, but not limited to, the following:

- 401(K) Plans
- profit sharing plans
- thrift plans
- tax sheltered annuities
- stock ownership plans
- credit disability insurance
- non-qualified plans of deferred compensation
- pension plans for Partners
- military pension and disability income plans
- a Retirement Plan from another employer
- individual retirement accounts (IRA)
- [franchise disability income plans]⁶⁴
- [individual disability income plans]⁶⁴
- [a workers' compensation law; an occupational disease law, or any other Act or Law with similar intent]⁶⁴
- [a state compulsory benefit Act or Law]⁶⁴
- [other group insurance plans]⁶⁴
- [governmental retirement system as a result of your job with your Employer]⁶⁴
- [automobile liability insurance policy]⁶⁴
- [loss of time disability payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁶⁴
- [retirement payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁶⁴
- [your Employer's Retirement Plan]⁶⁴
- [any action brought under Title 46, United States Code Section 688 (The Jones Act)]⁶⁴
- [a third party (after subtracting attorney's fees) by judgment, settlement or otherwise]⁶⁴
- [any unemployment compensation Law]⁶⁴
- [the mandatory portion of any "no fault" motor vehicle plan]⁶⁴
- [any Salary Continuation or Accumulated Sick Leave plans]⁶⁴

[If Salary Continuation or Accumulated Sick Leave plan payments plus the Gross Disability Payment and Disability Earnings exceed 100% of your Weekly Earnings, the *Company* will subtract the amount in excess of 100% from your benefit.]⁶³⁶⁴

SHORT TERM DISABILITY BENEFITS

REHABILITATIVE EMPLOYMENT⁶⁵

[The Company has a Rehabilitation Program available.

As your file is reviewed, medical and vocational information will be analyzed to determine if rehabilitation services might help you return to work.

Once the initial review is completed by our Rehabilitation Program specialists working along with your Doctor and other appropriate specialists, the *Company* may elect to offer you and pay for a Rehabilitation Program. If the Rehabilitation Program is not developed by the *Company's* rehabilitation specialists, you must receive written approval from the *Company* for the program before it begins.]⁶³

[Weekly Payments

If you are:

- Disabled and receiving a Weekly Payment from the *Company*, and
- participating in a an approved program of Rehabilitative Employment

[your Weekly Payment will be reduced by [20-70%]⁵⁹ of the income received from each week of Rehabilitative Employment.]⁶³

the sum of your Weekly Payment and your total income received under Rehabilitative Employment cannot exceed 100% of your Weekly Earnings. If it does the *Company* will subtract the amount in excess of 100% from your benefit.]⁶³

[Child care expense payments

The *Company* will send you a payment for Child Care Expenses each week while you are Disabled and receiving a Weekly Payment from the *Company*.

The weekly child care payment is equal to the amount of your Child Care Expenses up to the maximum weekly child care amount.

Your maximum weekly child care amount is equal to [\$60-120]⁵⁹ times the number of eligible Children.]^{63, 65}

SHORT TERM DISABILITY BENEFITS

PRE-EXISTING CONDITIONS

Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor]⁶³⁶³

within [0-30]⁵⁹ months just before your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy [or the effective date of an increase due to a policy amendment]⁶³.

If your Disability is due to, caused by, or contributed to by, a pre-existing condition and it begins in the first [0-30]⁵⁹ months after your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy, [or the effective date of an increase due to a policy amendment]⁶³, no benefits will be paid **[unless you have not:**

- received medical treatment, consultation, care, or services, including diagnostic measures, or
- taken prescribed drugs or medicines

for such pre-existing condition, or any complication of it, for [0-30]⁵⁹ continuous months after your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy [or the effective date of an increase due to a policy amendment.]⁶³⁶³ ⁶⁵,

SHORT TERM DISABILITY BENEFITS

CONTINUITY OF COVERAGE UPON TRANSFER OF CARRIERS⁶⁶

Continuity of coverage is provided as follows for employees whose coverage and/or eligibility are affected by the cancellation of the Employer's Prior Plan and replacement with the *Company's* [group policy]⁶⁶.

Employees Actively At Work

If you were insured under the Prior Plan on the day the Employer changed insurers, you will be covered by the benefits provided under the [group policy]⁶⁶ if you are:

1. eligible for coverage under the [group policy]⁶⁶ in accordance with its **ELIGIBLE CLASSES** provision, and
2. Actively at Work on the effective date of the [group policy]⁶⁶.

Employees not Actively At Work

If you are not Actively at Work, due to Injury or Sickness, on the effective date of the [group policy]⁶⁶, you will be covered for benefits provided you:

1. were validly insured under the Employer's Prior Plan on the date of transfer; and
2. are a member of the **ELIGIBLE CLASSES** under the [group policy]⁶⁶.

The benefits provided will be the benefits provided by the Prior Plan less any benefits paid or payable under the Prior Plan.

Coverage will be provided until the earliest of:

1. the date you become eligible and insured under the [group policy]⁶⁶ as described in the **Actively At Work** provision above;
2. the date your coverage ends in accordance with the termination provisions of the [group policy]⁶⁶; or
3. the date that is the end of any benefit extension as provided under the Prior Plan.

Pre-existing conditions

If a pre-existing condition exclusion is included in the [group policy]⁶⁶, benefits may be payable for a Disability due to a pre-existing condition if you:

1. were Actively at Work on the date of transfer; and
2. insured under the [group policy]⁶⁶ on its effective date.

The benefits payable will be the lesser of:

1. the full benefit payable under the [group policy]⁶⁶; or
2. the benefit under the Prior Plan.

Any time applied towards satisfying the Elimination or Waiting Periods of the same or similar provisions under the Prior Plan will be credited towards the [group policy]⁶⁶.⁶⁶

WAIVER OF PREMIUM

No premium is due for you while you are receiving Weekly Benefits. When you stop receiving Weekly Benefits, premiums must again be paid when due.

SHORT TERM DISABILITY BENEFITS

[EXCLUSIONS⁶⁷

The group policy does not cover any Disability caused by, contributed to by, or resulting from, your:

- loss of professional license, occupational license or certification
- intentionally self-inflicted injuries while sane or insane
- active Participation in a Riot
- attempting to commit a crime, or commission of a crime for which you have been convicted under federal or state law
- [Occupational Sickness or Injury. However, Disability due to Occupational Sickness or Injury for Partners, Professional Corporation (P.C.) Partners, owners-employees, or Sole-Proprietors and/or S-Corporation Shareholders that cannot be covered by Worker's Compensation law, occupational disease law or similar law will be covered.]⁶⁷

The group policy will not cover a Disability due to Insurrection, War, declared or undeclared, or any act of War [or Terrorist Act]⁶⁷.

The *Company* will not pay a benefit for any period of Disability during which you are incarcerated as a result of a conviction.]⁶⁷

LONG TERM DISABILITY BENEFITS

If, while insured, you become Disabled and continue to be Disabled past the Elimination Period, the *Company* will pay to you the benefits described below.

The Elimination Period is shown in the Schedule of Benefits.

MONTHLY PAYMENTS

You will begin to receive Monthly Payments when the *Company* approves your claim, providing the Elimination Period has been satisfied. While you are receiving such payments, you must be under the Regular Care of your Doctor.

Payments for part of a month

After the Elimination Period, if you are Disabled for less than 1 month, the *Company* will send you 1/30th of your payment for each day of Disability.

IF YOU ARE DISABLED AND NOT WORKING

The *Company* will calculate your Monthly Payment as follows:

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income from your Gross Disability Payment. This is your Monthly Payment.

[IF YOU ARE DISABLED AND WORKING]⁶⁹

The *Company* will send you the Monthly Payment as calculated above if you are Disabled and your monthly Disability Earnings are less than [20-100%]⁷⁰ of your [Indexed]⁷¹ Monthly Earnings.

Your loss of earnings must be a result of, or due to, the same Sickness or Injury for which you are Disabled.]⁷¹

[The *Company* will send you a Monthly Payment if you are Disabled and your monthly Disability Earnings are between 20% and [80%]⁶⁸[100%]⁶⁸ of your [Indexed]⁷¹ Monthly Earnings. The *Company* will calculate your payment as follows:]⁷¹

(WORK INCENTIVE BENEFIT)⁷²

[for the first [0-unlimited]⁷⁰ months following the end of the elimination period:]⁷¹

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. from 100% of your [Indexed]⁷¹ Monthly Earnings, subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income and Disability Earnings.
3. Compare the results from 1 and 2. The lesser amount is your Monthly Benefit payment.]⁷¹

[after [0-unlimited]⁷⁰ months following the end of the elimination period:]⁷¹

LONG TERM DISABILITY BENEFITS

(PARTIAL DISABILITY BENEFIT: DOLLAR FOR DOLLAR)⁷²

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income and your monthly Disability Earnings from your Gross Disability Payment. This is your Monthly Benefit payment.⁷¹

(PARTIAL DISABILITY BENEFIT: PROPORTIONATE LOSS)⁷²

1. subtract your monthly Disability Earnings and your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income from your [Indexed]⁷¹ Monthly Earnings;
2. divide the answer in 1 by your [Indexed]⁷¹ Monthly Earnings. This is your percentage of lost earnings.
3. calculate your Monthly Payment as if you were Disabled and not working.
4. multiply the percentage calculated in 2 by the amount calculated in 3. This is your Monthly Benefit payment.⁷¹

(PARTIAL DISABILITY BENEFIT: 50% OFFSET)⁷²

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. multiply your Disability Earnings by 50%;
3. add the number in 2 to your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income;
4. subtract the number in 3 from the number in 1. This is your Monthly Benefit payment.⁷¹

The *Company* may require you to send proof of your monthly Disability Earnings on a [quarterly]⁷³[monthly]⁷³ basis. The *Company* will adjust your payment based on your [quarterly]⁷³[monthly]⁷³ Disability Earnings.

As part of your proof of Disability Earnings, the *Company* can require that you send the *Company* appropriate financial records that the *Company* believes are necessary to substantiate your income.

[IF YOUR DISABILITY EARNINGS FLUCTUATE⁷¹

If your Disability Earnings exceed the percentage of [Indexed]⁷¹ Monthly Earnings, listed below, and routinely fluctuate from month to month, the *Company* will average your Disability Earnings over the next 3 months beginning with the month in which your Disability Earnings exceeded such percentage to determine if your claim should continue, subject to all other terms and conditions of coverage.

If the *Company* averages your Disability Earnings, the *Company* will terminate your claim **if**:

- during the first [6-60]⁷⁰ months of disability payments, the average of your Disability Earnings for a 3 month period exceeds [60-100%]⁷⁰ of [Indexed]⁷¹ Monthly Earnings, or
- beyond [6-60]⁷⁰ months of disability payments, ⁷¹ the average of your Disability Earnings for a 3 month period exceeds [10-100%]⁷⁰ of [Indexed]⁷¹ Monthly Earnings [the Gross Disability Payment]⁷¹.

The *Company* will **not** pay you for any month during which Disability Earnings exceed the amount allowable under the group policy.⁷¹

LONG TERM DISABILITY BENEFITS

DURATION OF BENEFITS

Monthly Benefits will be paid up to the Maximum Period of Payment shown in the Schedule of Benefits. The *Company* will stop sending you payments, and your claim will end at the earliest of:

1. the end of the Maximum Period of Payment;
2. the date you are no longer Disabled;
- [3. the date the 3 month average of your Disability Earnings exceeds the amount allowable under the group policy;]⁷¹
- [4.] the date you fail to give proof of continuing Disability;
- [[5.] the date you decline to participate in or cooperate in a rehabilitation evaluation/assessment or program that the *Company* considers appropriate for your Disability and that has been approved by your Doctor;]⁷¹
- [6.] the date you cease to be under the Regular Care of a Doctor, or you refuse to be examined or interviewed, if the *Company* requires such an examination or interview;
- [7.] the date you refuse to receive recommended treatment that is Generally Accepted in the Practice of Medicine by Doctors to cure, correct or limit your Disability;
- [8.] the date you die;

(Limited own occupation)⁷²

- [9. during the first [6-60]⁷⁰ months of Disability, when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to;
10. after [6-60]⁷⁰ months of Disability, when you are able to work in [any Gainful Occupation]⁶⁸[your Regular Occupation]⁶⁸[your Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to.]⁷¹

(Unlimited own occupation)⁷²

- [9. when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to.]⁷¹

(Activities of daily living)⁷²

- [9. during the first [6-60]⁷⁰ months of Disability, when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to;
10. after [6-60 months]⁷⁰, you continuously perform 6 or more Activities of Daily Living that began after the effective date of your coverage without Stand-By Help.
11. the end of [0-60]⁷⁰ months from the date payments begin, if you are Disabled due to an Infectious and Contagious Disease.]⁷¹

If the group policy ends, this will not act to end the Maximum Period of Payment.

LONG TERM DISABILITY BENEFITS

RECURRENT DISABILITY

If you have returned to work and are no longer receiving Monthly Payments from the *Company*, and your return to work is followed by a Recurrent Disability that occurs within [0-12]⁷⁰ months of your return to work, the period of Disability prior to your return to work and the Recurrent Disability will be considered one period of Disability, provided the group policy remains in effect.

If you return to work and are no longer receiving Monthly Payments from the *Company* for [0-12]⁷⁰ months or more, any recurrence of a Disability will be treated as a new Disability. You must complete a new Elimination Period before Monthly Benefits are payable.

If you become eligible for payments under any other group long term disability policy, you will not be eligible for payments under the group policy.

The term "period of disability" as used in this provision means a continuous length of time during which you are Disabled under the group policy.

[DIRECT DEDUCTIBLE SOURCES OF INCOME]⁷⁴

When figuring your Monthly Benefit, the *Company* will consider Direct Deductible Sources of Income from the following list. The *Company* will calculate the total amount of Direct Deductible Sources of Income by adding all of the sources of income from the following list that you receive or are eligible to receive during a month while you are Disabled. This is your total amount of Direct Deductible Sources of Income.

The total amount to be considered in determining the Monthly Benefit cannot exceed the maximum Monthly Benefit amount.

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker's compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁷⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁷⁴
- [b. individual disability income plans;]⁷⁴
- [c. other group insurance plans;]⁷⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁷⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴⁷⁴

LONG TERM DISABILITY BENEFITS

[3. The amount that you [, your Spouse, and your Children under 18]⁷¹ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar plan or Act.]⁷⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁷¹

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁷¹ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁷⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁷⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁷⁴

[8. The amount that you receive from any unemployment compensation Law.]⁷⁴

LONG TERM DISABILITY BENEFITS

- [9. The amount that you receive under the mandatory portion of any “no-fault” motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴
- [10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁷⁴
- [11. The amount that you receive from any franchise disability income plans.]⁷⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁷⁴

[INDIRECT DEDUCTIBLE SOURCES OF INCOME]⁷⁴

When figuring your Monthly Benefit, the *Company* will consider Indirect Deductible Sources of Income from the following list that when added to your Gross Disability Payment, are in excess of [50-100%]⁷⁰ of your Monthly Earnings. The total amount to be considered in determining the Monthly Benefit cannot exceed the maximum Monthly Benefit amount. The *Company* will calculate the total amount of Indirect Deductible Sources of Income as follows:

- [1. add all of the sources of income from the following list that you receive or are eligible to receive during a month while you are Disabled;
2. add the amount in 1 to your Gross Disability Payment;
3. calculate [50-100%]⁷⁰ of your Monthly Earnings;
4. if the amount in 2 is greater than the amount in 3, subtract the amount in 3 from the amount in 2. This is your total amount of Indirect Deductible Sources of Income.
5. If the amount in 2 is less than, or equal to, the amount in 3, your total amount of Indirect Deductible Sources of Income is 0.]⁷¹

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker’s compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁷⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁷⁴
- [b. individual disability income plans;]⁷⁴
- [c. other group insurance Plans;]⁷⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁷⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴⁷⁴

LONG TERM DISABILITY BENEFITS

[3. The amount that you [, your Spouse, and your Children under 18]⁷¹ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁷¹

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁷¹ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁷⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁷⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁷⁴

[8. The amount that you receive from any unemployment compensation Law.]⁷⁴

[9. The amount that you receive under the mandatory portion of any "no-fault" motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴

LONG TERM DISABILITY BENEFITS

[10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁷⁴

[11. The amount that you receive from any franchise disability income plans.]⁷⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁷⁴

RULES FOR DEDUCTIBLE INCOME

Estimating benefits

When the *Company* determines that you may qualify for benefits listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, the *Company* will estimate your entitlement to these benefits. The *Company* can reduce your payment by the estimated amounts if such benefits:

- have not been awarded, and have not been denied; or
- have been denied, and the denial is being appealed.

The *Company* will **not** reduce your payment by the estimated amount if you:

- apply for disability payments listed in the **DEDUCTIBLE SOURCES OF INCOME** provision;
- appeal any denial to all administrative levels the *Company* feels are necessary; and
- sign the *Company's* payment option form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when the *Company* receives proof:

- of the amount awarded; or
- that benefits have been denied and all appeals the *Company* feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

Lump sum payments

If you receive a lump sum payment from any Deductible Source of Income, the lump sum will be pro-rated on a monthly basis over the time period for which the sum applies. If no period is stated, the sum will be pro-rated on a monthly basis to the end of the Maximum Period of Payment.

Cost of living increases

Other than for increases in any income you earn from any form of employment, once the *Company* has determined any source of income to be [a Direct]⁷¹ [or]⁷¹ [an Indirect]⁷¹ Deductible Source of Income and determines the amount to be deducted from your Gross Disability Payment, the *Company* will not further reduce your payment due to a cost of living increase from that source.

LONG TERM DISABILITY BENEFITS

[NON-DEDUCTIBLE SOURCES OF INCOME]⁷⁴

The *Company* will not subtract from your Gross Disability Payment income you receive from, but not limited to, the following:

- 401(K) Plans
- profit sharing plans
- thrift plans
- tax sheltered annuities
- stock ownership plans
- credit disability insurance
- non-qualified plans of deferred compensation
- pension plans for Partners
- military pension and disability income plans
- a Retirement Plan from another employer
- individual retirement accounts (IRA)
- [franchise disability income plans]⁷⁴
- [individual disability income plans]⁷⁴
- [a workers' compensation law; an occupational disease law, or any other Act or Law with similar intent]⁷⁴
- [a state compulsory benefit Act or Law]⁷⁴
- [other group insurance plans]⁷⁴
- [governmental retirement system as a result of your job with your Employer]⁷⁴
- [automobile liability insurance policy]⁷⁴
- [loss of time disability payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁷⁴
- [retirement payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁷⁴
- [your Employer's Retirement Plan]⁷⁴
- [any action brought under Title 46, United States Code Section 688 (The Jones Act)]⁷⁴
- [a third party (after subtracting attorney's fees) by judgment, settlement or otherwise]⁷⁴
- [any unemployment compensation Law]⁷⁴
- [the mandatory portion of any "no fault" motor vehicle plan]⁷⁴
- [any Salary Continuation or Accumulated Sick Leave plans]⁷⁴

[If Salary Continuation or Accumulated Sick Leave plan payments plus the Gross Disability Payment and Disability Earnings exceed 100% of your Monthly Earnings, the *Company* will subtract the amount in excess of 100% from your benefit.]⁷¹⁷⁴

LONG TERM DISABILITY BENEFITS

REHABILITATION BENEFIT⁷⁵

The Company has a Rehabilitation Program available.

As your file is reviewed, medical and vocational information will be analyzed to determine if rehabilitation services might help you return to work.

Once the initial review is completed by our Rehabilitation Program specialists working along with your Doctor and other appropriate specialists, the *Company* may elect to offer you and pay for a Rehabilitation Program. If the Rehabilitation Program is not developed by the *Company's* rehabilitation specialists, you must receive written approval from the *Company* for the program before it begins.

The Rehabilitation Program may include, but is not limited to, the following services:

- coordination with your Employer to assist your return to work;
- evaluation of adaptive equipment to allow you to work;
- vocational evaluation to determine how your Disability may impact your employment options;
- job placement services;
- resume preparation;
- job seeking skills training; or
- retraining for a new occupation.

The Rehabilitation Program may also include, at the *Company's* discretion, payment of your:

- Medical Expenses, and
- Moving Expenses.

[Rehabilitation payments⁷⁵

The *Company* will send you a rehabilitation payment each month up to the Maximum Period of Rehabilitation Payment while you are:

- Disabled and receiving a Monthly Payment from the *Company*, and
- participating in a Rehabilitation Program that has been approved by the *Company*.

[Your Maximum Period of Rehabilitation Payment is [6, 12]⁶⁸ months.]⁷¹

The monthly rehabilitation payment is equal to [5, 10%]⁶⁸ of your Monthly Payment.]⁷¹

LONG TERM DISABILITY BENEFITS

[Child care expense payments]⁷⁵

The *Company* will send you a payment for Child Care Expenses each month up to the Maximum Period of Child Care Payment while you are:

- Disabled and receiving a Monthly Payment from the *Company*; and
- participating in a Rehabilitation Program that has been approved by the *Company*.

[Your Maximum Period of Child Care Payment is [6, 12]⁶⁸ months.]⁷¹

The monthly child care payment is equal to the amount of your Child Care Expenses up to the maximum monthly child care amount.

Your maximum monthly child care amount is equal to [\$250, 350, 500]⁶⁸ times the number of eligible Children.]⁷¹

[Education payments]⁷⁵

The *Company* will send you an education payment each month while:

- you are Disabled and receiving a Monthly Payment from the *Company*, and
- the *Company* has written proof of your enrollment in an institution of higher learning which includes, but is not limited to, a university, college, or trade school.

Your monthly education payment is [\$100-500]^{70 75}.

WORKPLACE MODIFICATION BENEFIT⁷⁵

If you are Disabled and receiving a Monthly Payment from the *Company*, an additional workplace modification benefit may be payable to your Employer for your benefit. The *Company* will reimburse your Employer for up to 100% of reasonable costs that your Employer incurs for modifications to the workplace to accommodate your return to work, or to assist you in remaining at work.

The amount that the *Company* pays to your Employer for your workplace modification benefit will not exceed the lesser of:

- a maximum of [\$1,000-10,000]⁷⁰, or
- the *Company*'s expected liability for your long term disability claim.

To qualify for this reimbursement, you must have:

- a Disability that prevents you from performing some or all of the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸;
- the physical and mental abilities needed to perform some or all of the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ or a Gainful Occupation, but only with the assistance of the proposed workplace modification; and
- the reasonable expectation of returning to active employment and remaining in active employment with the assistance of the proposed workplace modification.

LONG TERM DISABILITY BENEFITS

Your Employer must give the *Company* a written proposal on the proposed workplace modification. The proposal must include:

- input from your Employer, you and your Doctor;
- the purpose of the proposed workplace modification;
- the expected completion date of the workplace modification; and
- the cost of the workplace modification.

The *Company* will reimburse the costs of the workplace modification when the *Company*:

- approves the proposal in writing;
- receives proof from your Employer that the workplace modification is complete; and
- receives proof of the costs incurred by your Employer for the workplace modification.

At the *Company's* option, the *Company* may pay this amount directly to you, as long as the *Company* is given proof that the amount to be paid will be used to assist your Employer in making reasonable workplace modifications for you.

This benefit will not be payable if you become self-employed, or return to work for another employer.

This benefit is available to you on a one-time basis.⁷⁵

CATASTROPHIC DISABILITY BENEFIT⁷⁵

If you are Disabled and meet 1 or more of the following requirements, certified by a Doctor, you will receive a catastrophic disability benefit in addition to any other benefits payable under the group policy:

- you are continuously unable to perform [1-5]⁷⁰ or more Activities of Daily Living without Stand-By Help;
- you have a Cognitive Impairment; or
- you have a terminal illness.

Your Maximum Period of Payment is [0-60]⁷⁰ months.

This additional benefit will equal [[5-25%]⁷⁰ of your Monthly Earnings to a maximum of [\$500-5,000]⁷⁰⁷⁰ per month. [The monthly catastrophic disability payment, together with your Monthly Payment, will not exceed the maximum Monthly Benefit.]⁷¹

This benefit will be subject to all other terms of the group policy.⁷⁵

LONG TERM DISABILITY BENEFITS

PENSION CONTRIBUTION BENEFIT⁷⁵

If you:

- become Disabled;
- [are not working Part-Time]⁷¹;
- have qualified for benefits; and
- have been a participant in the Pension Plan for at least [1-6]⁷⁰ months

you will also be eligible to receive a pension contribution benefit to a qualifying Pension Plan. If you participate in more than one such Pension Plan, your Employer may designate which Pension Plan will receive the pension contribution benefit.

Under this pension contribution benefit, and on behalf of your Employer, we will pay a monthly pension contribution benefit to the trustee or administrator of your Pension Plan for deposit to your pension account. However, no pension contribution benefit will be payable under this provision to replace your voluntary pre-tax contributions to the Pension Plan, or to replace Pension Plan Contributions your Employer is otherwise obligated to make at the time these amounts would be deposited. This benefit shall be equal to the lesser of [1-30%]⁷⁰ of your Monthly Earnings, or [\$500-3,000]⁷⁰, but shall in no event exceed the amount that [you and]⁷¹ your Employer [was, were] contributing toward the Pension Plan as of the date of Disability.

This pension contribution benefit does not impact or change any of the provisions of your Employer's Pension Plan. Any payment is subject to the terms of your Employer's Pension Plan. The Pension Plan administrator is responsible for determining whether the Pension Plan may accept contributions under this pension contribution benefit. Receipt of long term disability benefits under this certificate does not obligate the administrator or your Pension Plan to accept pension contribution benefits under this provision since differences may exist between the definitions included in the long term disability certificate and those in the Employer's Pension Plan, including the definition of Disability. [You are not eligible to receive a pension contribution benefit if you are already collecting pension benefits from your Employer's Pension Plan]⁷¹.

Any pension contribution benefit that the Pension Plan administrator determines cannot be paid to the administrator of your Pension Plan will instead be deposited into a deferred annuity account designated by you. Any such amounts paid to a deferred annuity may be taxable to you at the time of such contribution. You should seek assistance from a personal tax advisor with respect to receipt of this benefit. No representations as to any issue of taxation of this benefit are made by the Company.

This pension contribution benefit will cease on the earliest of the date:

- your monthly [total]⁷¹ disability benefit payments terminate; or
- you cease to be an eligible participant under the terms of your Employer's Pension Plan.⁷⁵

401(k) CONTRIBUTION BENEFIT⁷⁵

If you become Disabled and have qualified for benefits, you will also be eligible to receive a 401(k) benefit that cannot exceed the maximum allowable by law. This additional benefit will equal the amount that you were contributing toward the plan as of the date of Disability, not to exceed the lesser of [1-10%]⁷⁰ of your Monthly Earnings, or [\$500, \$1,000, \$1,500, \$2,000.]⁶⁸ This amount will be paid to the Plan Administration for deposit into a 401(K) Plan on your behalf. In order to qualify for this benefit, you must have been a participant in the 401(K) Plan for at least 3 months. This benefit will cease to apply when you are no longer Disabled, or when you cease to be an eligible participant in your Employer's 401(K) Plan.⁷⁵

LONG TERM DISABILITY BENEFITS

COST OF LIVING INCREASE ADJUSTMENT BENEFIT⁷⁵

The *Company* will make a cost of living adjustment (COLA) after you have received [1-3]⁷⁰ full year[s] of payments.

[Your payment will increase by [the lesser of]⁷¹ [0-10%]⁷⁰ [or half the current annual percentage in the Consumer Price Index]⁷¹ beginning on the [first, second, third]⁶⁸ anniversary of payments and each following anniversary [not to exceed [1-20]⁷⁰ anniversary adjustment periods while]⁶⁸ [until you attain age 65 if]⁶⁸ you continue to receive payments for your Disability.]⁷¹

Each month, the *Company* will add the cost of living adjustment to your Monthly Payment. When the *Company* adds the adjustment to your payment, the increase may cause your payment to exceed the maximum Monthly Benefit. [Payment will be limited to the maximum Monthly Benefit.]^{71, 75}

LONG TERM DISABILITY BENEFITS

CONVERSION OPTION⁷⁵

If your insurance ends, you may buy disability income benefits under a group policy issued by the *Company* or another AIG company during the Conversion Period. Evidence of Insurability will not be required.

You may not use this option, if:

- the group policy ends
- the group policy is amended to end insurance for your class
- [your Employer ceases to be a Participating Employer]⁷¹
- your insurance ends due to nonpayment of premium
- you retire
- you no longer belong to a class eligible for disability benefits under the group policy
- you are eligible to receive disability benefits under the group policy
- you are in an elimination period for disability benefits under the group policy, or
- you are eligible for, or insured for, similar benefits under another group plan or an individual policy.

This option is subject to these conditions:

1. you must have been insured for at least 12 consecutive months by the group policy or a combination of the group policy and the Employer's Prior Plan that was replaced by the group policy;
2. you must apply for benefits in writing during the Conversion Period and pay the first premium within 10 days after receipt of a premium bill;
3. the premium rates for the insurance will be based on:
 - the insurer's rates then in use
 - the benefits, terms and conditions of the insurance, and
 - your age when insurance ends.
4. the *Company* will issue you a certificate of insurance on a form then being used by the *Company* or another AIG company for conversion purposes;
5. the benefits, terms, and conditions of insurance shown in this certificate may be different from the benefits, terms, and conditions of insurance that ended under the group policy; and
6. your insurance will take effect at the end of the Conversion Period.⁷⁵

MINIMUM INDEMNITY BENEFIT⁷⁵

For loss of	Number of Monthly Payments
1. Loss of life	120
2. Loss of ability to earn income	120
3. Loss of ability to care for self	120
4. Loss of ability to enjoy life	120
5. Loss of ability to work	120
6. Loss of ability to support family	120
7. Loss of ability to pay debts	120
8. Loss of ability to pay taxes	120
9. Loss of ability to pay interest	120
10. Loss of ability to pay principal	120
11. Loss of ability to pay taxes and interest	120
12. Loss of ability to pay taxes and principal	120
13. Loss of ability to pay interest and principal	120
14. Loss of ability to pay taxes, interest and principal	120
15. Loss of ability to pay taxes, interest and principal (with 10% discount)	120
16. Loss of ability to pay taxes, interest and principal (with 20% discount)	120
17. Loss of ability to pay taxes, interest and principal (with 30% discount)	120
18. Loss of ability to pay taxes, interest and principal (with 40% discount)	120
19. Loss of ability to pay taxes, interest and principal (with 50% discount)	120
20. Loss of ability to pay taxes, interest and principal (with 60% discount)	120
21. Loss of ability to pay taxes, interest and principal (with 70% discount)	120
22. Loss of ability to pay taxes, interest and principal (with 80% discount)	120
23. Loss of ability to pay taxes, interest and principal (with 90% discount)	120
24. Loss of ability to pay taxes, interest and principal (with 100% discount)	120

[Sight of both eyes	[12-60]	⁷⁰ ₇₁
[Hands	[12-60]	⁷⁰ ₇₁
[Both feet	[12-60]	⁷⁰ ₇₁
[One hand and one foot	[12-60]	⁷⁰ ₇₁
[One hand and sight of one eye	[12-60]	⁷⁰ ₇₁
[One foot and sight of one eye	[12-60]	⁷⁰ ₇₁
[One hand or one foot	[12-60]	⁷⁰ ₇₁
[Sight of one eye	[12-60]	⁷⁰ ₇₁
[Thumb and index finger of either hand	[12-60]	⁷⁰ ₇₁

This benefit is payable in addition to any other benefit payable under the group policy.⁷⁵

LONG TERM DISABILITY BENEFITS

FMLA FAMILY CARE BENEFIT⁷⁵

If you cease Full-Time work to care for a qualified relative under the Federal Family and Medical Leave Act of 1993 and you meet the following requirements, you will receive an FMLA Family Care Benefit:

1. you must be insured by the group policy at the start of your leave;
2. your leave must be approved by your Employer within the Federal Family and Medical Leave Act of 1993 guidelines;
3. your leave must extend for at least 30 days;
4. you must not be working on a Full-Time or Part-Time Basis during your leave, and
5. the purpose of your leave must be to permit you to provide Full-Time care for a qualified relative who suffers from a "serious health condition" as defined by the Federal Family and Medical Leave Act.

A qualified relative will include a dependent child or parent of the insured.

You must notify the *Company* as soon as your Employer approves your leave of absence. The *Company* may require written confirmation of this approval from your Employer.

FMLA Family Care Benefits will begin after you have been on this leave for 30 days. The *Company* will pay all FMLA Family Care Benefits in arrears.

Subject to all the terms of the group policy, the *Company* will pay a FMLA Family Care Benefit of [\$200-\$1,000]⁷⁰ a month while you are on leave.

The maximum payment period for this benefit is [6-52]⁷⁰ weeks during your lifetime.

The *Company* will stop paying you the FMLA Family Care Benefit on the earliest of:

- the date you go back to work on a Full-Time or Part-Time Basis;
- the date you become Disabled;
- the date your employment with the Employer ends;
- the date the group policy ends;
- the date the group policy is amended to end insurance for your class;
- the date your Employer-approved family medical leave ends; or
- the end of the maximum payment period for this benefit.⁷⁵

LONG TERM DISABILITY BENEFITS

SURVIVOR BENEFIT

(lump sum benefit)⁷²

When the *Company* receives proof that you have died, the *Company* will pay your Eligible Survivor a lump sum equal to [3, 6]⁶⁸ times your [Gross Disability Payment]⁶⁸ [Monthly Payment]⁶⁸ if, on the date of your death [:

- your Disability had continued for [90, 180]⁶⁸ or more consecutive days, and]⁷¹
- you were receiving or entitled to receive payments under the group policy.

If you have no Eligible Survivors, payment will be made to your estate.

However, the *Company* will first apply the survivor benefit to any overpayment that may exist on your claim.]⁷¹

SURVIVOR BENEFIT

(monthly payout benefit)⁷²

When the *Company* receives proof that you have died, the *Company* will pay your Eligible Survivor a benefit equal to 66 2/3% of your last Monthly Payment for [12, 24]⁶⁸ months if, on the date of your death:

- [your Disability had continued for [90, 180]⁶⁸ or more consecutive days, and]⁷¹
- [your Disability had continued for 12 or more consecutive months, and]⁷¹
- you were receiving or entitled to receive payments under the group policy.

If you have no Eligible Survivors, payment will be made to your estate.

However, the *Company* will first apply the survivor benefit to any overpayment that may exist on your claim.]^{71,71}

LIMITATIONS

MENTAL ILLNESS, [ALCOHOLISM, AND DRUG ABUSE]⁷¹

Disabilities due, in whole or part, to Mental Illness [,alcoholism, and drug abuse]⁷¹ have a limited Pay Period [during your lifetime]⁷¹, up to [0-60]⁷⁰ months from the date of Disability that follows the end of the Elimination Period.

The *Company* will continue to send you payments for disabilities due, in whole or part, to Mental Illness [,alcoholism, and drug abuse]⁷¹ beyond the [0-60]⁷⁰ month period that follows the end of the Elimination Period if you meet one or both of these conditions:

1. if you are Confined to a Hospital or Institution at the end of the [0-60]⁷⁰ month period, the *Company* will continue to send you payments during your Confinement.

If you are still Disabled when you are discharged, the *Company* will send you payment for a recovery period of up to [30-120]⁷⁰ days.

If you become reconfined at any time during the recovery period and remain Confined for at least [1-90]⁷⁰ days in a row, the *Company* will send payments during that additional Confinement and for 1 additional recovery period up to [30-120]⁷⁰ more days; and

2. in addition to item 1 above, if, after the [0-60]⁷⁰ month period that follows the end of the Elimination Period for which you have received payments, you continue to be Disabled and subsequently become Confined to a Hospital or Institution for at least [1-90]⁷⁰ days in a row, the *Company* will send payment for the length of the reconfinement.

LONG TERM DISABILITY BENEFITS

The *Company* will not pay beyond the limited Pay Period as indicated above, or the Maximum Period of Payment, whichever occurs first.

The *Company* will not apply the Mental Illness limitation, if it is the result of:

- stroke
- trauma
- viral infection
- Alzheimer's disease, or
- other conditions not listed which are not usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods or treatment as Generally Accepted in the Practice of Medicine.⁷¹

SELF - REPORTED SYMPTOMS

Disabilities due to Self-Reported Symptoms have a limited Pay Period, up to [12-60]⁷⁰ months from your date of Disability.

The *Company* may continue to pay benefits beyond [12-60]⁷⁰ months in the event that your condition is verifiable using tests, procedures or clinical examinations Generally Accepted in the Practice of Medicine at the end of the [12-60]⁷⁰ month period.⁷¹

SPECIAL CONDITIONS

Disabilities due to Special Conditions have a limited Pay Period, up to [12-24]⁷⁰ months from your date of Disability.⁷¹

PRE-EXISTING CONDITIONS⁶⁸

[Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor.]⁷¹⁷¹

within [3-12]⁷⁰ months just before your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment]⁷¹⁷¹.

If your Disability is due to, caused by, or contributed to by, a pre-existing condition and it begins in the first [12-30]⁷⁰ months after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy, [or the effective date of an increase due to a policy amendment]⁷¹, no benefits will be paid [unless you have not:

- received medical treatment, consultation, care, or services, including diagnostic measures, or
- taken prescribed drugs or medicines

for such pre-existing condition, or any complication of it, for [3-30]⁷⁰ continuous months after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹,⁷¹

LONG TERM DISABILITY BENEFITS

PRE-EXISTING CONDITIONS⁶⁸

[Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor.]⁷¹⁷¹

within 30 days just before your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹⁷¹

If your Disability is due to, caused by, or contributed to by, a pre-existing condition, no benefits will be paid until you have performed the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ for at least 5 consecutive days after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹^{71, 71}

LONG TERM DISABILITY BENEFITS

CONTINUITY OF COVERAGE UPON TRANSFER OF CARRIERS⁷⁶

Continuity of coverage is provided as follows for employees whose coverage and/or eligibility are affected by the cancellation of the Employer's Prior Plan and replacement with the *Company's* [group policy]⁷⁶.

Employees Actively At Work

If you were insured under the Prior Plan on the day the Employer changed insurers, you will be covered by the benefits provided under the [group policy]⁷⁶ if you are:

1. eligible for coverage under the [group policy]⁷⁶ in accordance with its **ELIGIBLE CLASSES** provision; and
2. Actively at Work on the effective date of the [group policy]⁷⁶.

Employees not Actively At Work

If you are not Actively at Work, due to Injury or Sickness, on the effective date of the [group policy]⁷⁶, you will be covered for benefits provided you:

1. were validly insured under the Employer's Prior Plan on the date of transfer; and
2. are a member of the **ELIGIBLE CLASSES** under the [group policy]⁷⁶.

The benefits provided will be the benefits provided by the Prior Plan less any benefits paid or payable under the Prior Plan.

Coverage will be provided until the earliest of:

1. the date you become eligible and insured under the [group policy]⁷⁶ as described in the **Actively At Work** provision above;
2. the date your coverage ends in accordance with the termination provisions of the [group policy]⁷⁶; or
3. the date that is the end of any benefit extension as provided under the Prior Plan.

Pre-existing conditions

If a pre-existing condition exclusion is included in the [group policy]⁷⁶, benefits may be payable for a Disability due to a pre-existing condition if you:

1. were Actively at Work on the date of transfer; and
2. insured under the [group policy]⁷⁶ on its effective date.

The benefits payable will be the lesser of:

1. the full benefit payable under the [group policy]⁷⁶; or
2. the benefit under the Prior Plan.

Any time applied towards satisfying the elimination or Waiting Periods of the same or similar provisions under the Prior Plan will be credited towards the [group policy]^{76, 76}.

WAIVER OF PREMIUM

No premium is due for you while you are receiving Monthly Benefits. When you stop receiving Monthly Benefits, premiums must again be paid when due.

LONG TERM DISABILITY BENEFITS

[EXCLUSIONS]⁷⁷

The group policy does not cover any Disability caused by, contributed to by, or resulting from, your:

- loss of professional license, occupational license or certification for reasons other than an Infectious or Contagious Disease causing your Disability
- intentionally self-inflicted injuries while sane or insane
- active Participation in a Riot
- attempting to commit a crime, or commission of a crime for which you have been convicted under federal or state law
- [Mental Illness]⁷⁷[, alcoholism or drug abuse]⁷⁷
- [Occupational Sickness or Injury. However, Disability due to Occupational Sickness or Injury for Partners, Professional Corporation (P.C.) Partners, owners-employees, or Sole-Proprietors and/or S-Corporation Shareholders that cannot be covered by Worker's Compensation law, occupational disease law or similar law will be covered.]⁷⁷

The group policy will not cover a Disability due to Insurrection, War, declared or undeclared, or any act of War [or Terrorist Act]⁷⁷.

The *Company* will not pay a benefit for any period of Disability during which you are incarcerated as a result of a conviction.]⁷⁷

GENERAL PROVISIONS

INCONTESTABILITY

The *Company* will not use your statements relating to insurability to contest insurance after it has been in force for 2 years during your life, except for non-payment of premium or fraudulent misrepresentation. Such 2 - year period begins on your effective date of coverage [(or date of last reinstatement)]⁷⁸ and excludes any period during which you are Disabled. The *Company* will also not use such statement, except fraudulent statements, to contest an increase or benefit addition to your insurance after the increase or benefit addition has been in force for 2 years during your life. Such 2 - year period begins on the effective date of the increase or benefit addition [(or date of last reinstatement)]⁷⁸ and excludes any period during which you are Disabled.

These statements must be in writing on a form satisfactory to the *Company* and signed by you. A copy of this form will be given to you.

BENEFICIARY DESIGNATION AND CHANGE

You may designate a beneficiary. This record is maintained in the group policy records.

You may change your beneficiary designation at any time[, unless an irrevocable designation has been made]⁷⁸. The change may be executed, without the consent of the designated beneficiary(ies), by providing the *Company* with a written request for change. When the request is received by the *Company*, whether you are then living or not, the change of beneficiary will relate back to and take effect as of the date of execution of the written request, but without prejudice to the *Company* on account of any payment which is made prior to receipt of the request.

[If there is no designated beneficiary, or if no designated beneficiary is living after your death, the benefits will be paid, in equal shares, to the survivors in the first surviving class of those that follow: your (1) spouse; (2) children; (3) parents; or (4) brothers and sisters. If no class has a survivor, the beneficiary is your estate.]⁷⁸

INTERPRETATION OF THE GROUP POLICY

The group policy is delivered in and is governed by the laws of the governing jurisdiction and to the extent applicable, by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

If the group policy comprises a part of an employee benefits plan, the *Company* is granted the authority to determine eligibility, make all factual determinations and to construe all terms of the group policy. The *Company* has no responsibility or control with respect to any other benefit which may be provided beyond the group policy or any other plan of benefits.

MISSTATEMENTS

A person's age may be misstated. If so, the correct data will be used to determine if insurance is in force. If insurance is in force, the premium and/or benefits will be adjusted according to the facts.

PAYMENT TO A MINOR OR INCOMPETENT

If any beneficiary or payee is a minor or is incompetent to receive payment, the *Company* will pay his guardian. The *Company* will not be liable for such payment after it is made.

ASSIGNMENT

The *Company* will not be bound by any assignment unless it is in writing and is recorded at its home office. The *Company* is not responsible for the validity of an assignment.

COMPLIANCE WITH LAW

On the date the group policy takes effect, some of its provisions may conflict with an applicable law. If so, any such provision is changed to comply with the minimums required by such law.

CLAIM PROVISIONS

NOTICE OF CLAIM

A claimant should send a written notice of claim to the *Company* within 20 days of a loss, or as soon thereafter as is reasonably possible. No special form is required to do this. Notice given by or on behalf of the claimant to the *Company* at [3600 Route 66, Neptune, New Jersey, 07753] need only identify the claimant and the Employer and is deemed notice to the *Company*.

CLAIM FORMS

The *Company* will send claim forms to the claimant upon receipt of a written notice of claim. If such forms are not sent within 15 days after the giving of notice, the claimant will be deemed to have met the proof of loss requirements upon submitting, within the time fixed in the group policy for filing proof of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made. The notice should include the claimant's name, the Employer's name and the group policy number.

PROOF OF LOSS

Written proof of loss must be furnished to the *Company* within 90 days after the date of the loss. If the loss is one for which the group policy requires continuing eligibility for periodic benefit payments, subsequent written proofs of eligibility must be furnished at such intervals as the *Company* may reasonably require. Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is otherwise required.

Proof of claim, provided at your expense, must show:

- that you are under the Regular Care of a Doctor;
- the date your Disability began;
- the cause of your Disability;
- the extent of your Disability, including restrictions and limitations preventing you from performing your [Regular Occupation]⁶⁸[Regular job]⁶⁸[any occupation]⁶⁸;
- the name and address of any hospital or institution where You received treatment, including all attending Doctors; and
- the appropriate documentation of your [Weekly]³⁸ [Monthly]³⁸ Earnings.

You may be asked to submit proof that you continue to be Disabled and are under the Regular Care of a Doctor. Requests of this nature will only be as often as the *Company* feels reasonably necessary. If so, this will be at your expense and must be received within 30 days of the *Company's* request. Failure to do so, may delay, suspend or end your benefits.

In some cases, you will be required to give the *Company* authorization to obtain additional medical information and to provide non-medical information as part of your proof of claim, or proof of continuing Disability. The *Company* will deny your claim, or stop sending you payments, if the appropriate information is not submitted.

TIME OF PAYMENT OF CLAIMS

Benefits payable under the group policy for any loss other than loss for which the group policy provides any periodic payment will be paid immediately upon the *Company's* receipt of due written proof of the loss. [Subject to the *Company's* receipt of due written proof of loss, all accrued benefits for loss for which the group policy provides periodic payment will be paid at the expiration of each month during the continuance of the period for which the *Company* is liable and any balance remaining unpaid upon termination of liability will be paid immediately upon receipt of such proof.]⁷⁹

CLAIM PROVISIONS

PHYSICAL EXAMINATIONS AND AUTOPSY

The *Company*, at its own expense, shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require, during the pendency of a claim hereunder, and to make an autopsy in case of death where it is not forbidden by law.

AUTHORIZATION AND DOCUMENTATION THAT YOU WILL BE ASKED TO SUPPLY

You will be required to supply proof that you have applied for other deductible income benefits such as workers' compensation or Social Security disability benefits, when applicable.

You will be required to notify the *Company* when you receive, or are awarded, other deductible income benefits. You must tell the *Company* the nature of the income benefit, the amount received, the period to which the benefit applies, and the duration of the benefit if it is being paid in installments.

PAYMENT OF CLAIMS

If written proof of loss is furnished, accrued benefits will be paid [weekly while]⁸⁰ [every 2 weeks while]⁸⁰ [at the end of each month that]⁸⁰ you are Disabled. If payment for part of a [week]³⁸[month]³⁸ is due at the end of the claim, it will be paid as soon as written proof of loss is received.

All payments are payable to you. If any benefit under the group policy is payable to your estate, or to an insured person or your beneficiary who is a minor or otherwise not competent to give a valid release, then the *Company* may pay up to an amount not exceeding \$1,000 to any relative by blood or connection by marriage or domestic partnership who are deemed by the *Company* to be equitably entitled to it. Any such payment made by the *Company* in good faith shall fully discharge the *Company* to the extent of such payment.

NOTICE OF DECISION ON CLAIM

You will receive a written decision on your claim within 45 days after the *Company* receives your completed claim.

If the *Company* denies any part of your claim, you will receive a written notice of denial containing:

- the reasons for the *Company*'s decision;
- reference to the parts of the group policy on which the *Company*'s decision is based;
- a description of any additional information needed to support your claim; and
- information concerning your right to a review of the *Company*'s decision.

REVIEW PROCEDURE

You may request in writing a review of a denial of all or part of your claim within 180 days after you receive notice of the denial.

When you request a review, you may send the *Company* written comments or other items to support your claim. You may review any non-privileged information that relates to your request for review.

The *Company* will review your claim promptly after we receive your request. The *Company* will send you a notice of the *Company*'s decision within 45 days after the *Company* receives your request, or within 90 days if special circumstances require an extension. The *Company* will state the reasons for the *Company*'s decision and refer you to the relevant parts of the group policy.

CLAIM PROVISIONS

OVERPAYMENT

The *Company* has the right to recover any overpayments due to:

- fraud;
- any error the *Company* makes in processing a claim;
- your receipt of Deductible Sources of Income; and
- income or wages from work.

You must reimburse the *Company* in full. The *Company* will determine the method by which the repayment is to be made including application of future benefits payable under the group policy to the overpayment balance.

The *Company* will not recover more money than the amount the *Company* paid you.

SUBROGATION – RIGHT OF REIMBURSEMENT

If you:

- suffer a Disability because of the act or omission of a third party;
- become entitled to and are paid benefits under the group policy in compensation for lost wages; and
- do not initiate legal action for the recovery of such benefits from the third party in a reasonable period of time;

then the *Company* will be subrogated to any rights you may have against the third party and may, at the *Company's* option, bring legal action to recover any payments that the *Company* has made in connection with the Disability.

TIME LIMIT ON LEGAL ACTIONS

No action at law or in equity may be brought to recover on this certificate prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the group policy. No such action may be brought after the expiration of [3]⁸¹ years after the time written proof of loss is required to be furnished.

FRAUD

The *Company* wants to ensure that you and your Employer do not incur additional insurance costs as a result of the undermining effects of insurance fraud. The *Company* promises to focus on all means necessary to support fraud detection, investigation and prosecution.

WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

State:	District of Columbia	Filing Company:	American General Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.003 Long Term		
Product Name:	STD/LTD		
Project Name/Number:	STD/LTD QF 11/2014/STD/LTD QF 11/2014		

Supporting Document Schedules

Satisfied - Item:	DC Explanation of Variable Areas
Comments:	
Attachment(s):	EOV for G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614 Forms (6.29.15 Final).pdf
Item Status:	
Status Date:	

Satisfied - Item:	AMGN-130118999 (Previous Objection Letter)
Comments:	
Attachment(s):	AMGN-130118999 (7.22.15 Obj.).pdf
Item Status:	
Status Date:	

Satisfied - Item:	Redline Copy of Certificate Form (9.4.15 Revisions)
Comments:	
Attachment(s):	G-DIS-41001-DC-0614 (9.4.15 Redline).pdf
Item Status:	
Status Date:	

Satisfied - Item:	DC Guaranty Association Notice
Comments:	
Attachment(s):	GAN-DC (Revised - 10-2014).pdf
Item Status:	
Status Date:	

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
District of Columbia Explanation of Variable Areas for
Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614

GENERAL COMMENTS

- These forms are representations of our product design to be used for Short Term Disability (STD) Insurance, Long Term Disability (LTD) Insurance as well as other disability durations in between. The Certificate of Insurance for STD and LTD may be issued as a combined certificate or as separate certificates. Bracketed items throughout the form may be included as shown, omitted or modified depending on the plan design, as agreed upon between the Policyholder and the Company and will always comply with the minimum statutory requirements of the state in which the policy is delivered.
- These forms are designed to be used for either Short Term Disability (STD) benefits, Long Term Disability (LTD) benefits or both. Plan options include any plan design which is within the range of benefit parameters and benefit amounts.
- Variable and illustrative data is bracketed and may vary from case to case or may be omitted as agreed upon between the Company and the Policyholder. Variable data will be further described in this Explanation of Variation. Amounts may vary and will be changed within the range of variation as shown in the forms and as allowable under your statutes and regulations. Variable data will never exclude or limit provisions required by the jurisdiction in which the group policy is issued. The appropriate required language will always appear, but the arrangement, formatting or placement may vary. With respect to mandated requirements, benefits greater than the mandates may be provided, where permitted. We certify that the type size will always remain as the State required size and all statutory/regulatory provisions and requirements will not be changed.
- The nature and structure of the plan(s) may require that certain terms be changed to fit the plan design which is within the benefit parameters and benefit amounts. Throughout the forms, the word “monthly” may appear in brackets. This will change to weekly when used in the context of an STD plan or the word “months” can be translated to “years”. “Calendar year” may be replaced by references to some other 12-month period. Please note, this is not specifically noted each time it appears.
- References to page numbers will be consistent with the information as it appears in the forms.
- The nature and structure of a group may require that we change certain terms whenever they appear to fit the situation. Such terms may include: “employee” / “employment” may vary to read: “member”/ “membership” or “retiree”/ “retirement. Reference to “Policyholder” may be changed to “Participating Employer” or “Participating Entity”.
- Brackets around numbers or alphas in a listing and punctuation or words such as, “and”/“or” in a listing will be included or deleted as needed in order to make the statement read correctly. Numeric variables will reflect the policy provisions and will always comply with the minimum statutory requirements of the jurisdiction in which the group policy is issued.

**American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
District of Columbia Explanation of Variable Areas for
Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614**

Group Insurance Policy Form

G-DIS-41000-DC-0614

- The Policy Index is variable. The section headings will correlate with the section headings of the Policy. Appropriate page numbers will be inserted. Each item listed in the Index will be included as shown or omitted.
- The Participating Employer page will be included, omitted, or modified according to the structure of the group. When the Participating Employer page is used, "Employer" may be changed to "Entity" or other similar description that properly describes the group being insured, but in no case will coverage be offered to groups that are not recognized groups under your insurance regulations. Throughout the forms, reference to "Participating Employer" will be removed if not appropriate for the structure of the group. When changed, this will appear throughout the policy and the certificate.
- These programs will be marketing to statutory eligible groups. Coverages may be fully contributory to fully non-contributory and every level in between, or a non-contributory level of coverage supplemented by employee/member-pay-all scenario. Minimum participation levels may be set by the underwriter or plan sponsor.
- The forms will always include appropriate signatures. The specific officer signatures and titles will change as needed to align with position and/or signatory authority changes within the Company.

Page/Section	Item #	Explanation of Variable Areas
Face Page		
	1	A space has been left for Policyholder and/or Company logos to be included or omitted.
	2	The name of the underwriting company may be changed as needed due to mergers, acquisitions or for marketing purposes. However, we will always seek the approval of the Department prior to the name change.
	3	The physical address or telephone number of the Company may change from time to time. This information will be revised as needed should the contact information change to reflect the current address or telephone number of the underwriting Company so interested parties can locate the respective offices.
	4	The Policyholder name, group policy no. and effective date will vary on a case-by-case basis. Dates are bracketed to be consistent with the terms as agreed upon between the Company and the Policyholder.
	5	The nature and structure of a group may require that certain terms be changed to fit the specific group. Throughout the forms, reference to Policyholder may be changed to Participating Employer or Participating Entity when issued to a Trust. Reference to Policy may be changed to "plan", "the Participating Employer's plan of insurance" or other similar terms that properly describe the group being insured.

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
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Group Insurance Policy Form

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Page/Section	Item #	Explanation of Variable Areas
	6	This section or text may be included as shown or modified. Later premiums (premiums after the first) are bracketed to conform with the request of the Policyholder. Premiums are payable on a monthly, quarterly, biannual or annual basis. A day other than the "first day of each month" may be specified in conjunction with the requested premium frequency.
	7	Bracketed sentence may be included as shown when the entire policy is replaced as of the amendment effective date or may be omitted.
	8	The state is bracketed to allow for inclusion of the state in which the policy is issued.
	9	The specific officer signatures and titles will change as needed to align with position and/or signatory authority changes within the Company. Registrar signature may be included or omitted.
Policy Index	10	The Policy Index is variable. The section headings will correlate with the section headings in the subsequent pages of the Policy. Appropriate page numbers will be inserted to allow the reader to locate the appropriate sections.
	11	This section or text may be included as shown or omitted depending on whether the Participating Employers page is included in the Policy.
	12	This section or text may be included as shown or omitted depending on whether this provision is included or deleted from the Policy, as agreed upon between the Policyholder and the Company.
Participating Employers	13	The Participating Employers page may be included as shown, omitted or modified according to the nature and the structure of the group (i.e., when issued to a Trust). If modified, the text may be changed to accurately reflect the type of participating group, such as an Employer or a Trust, but in no case will coverage be offered to groups that are not recognized groups under your insurance regulations and statutes. Reference to [Participating] Employers may also be modified to read [Participating] Entity.
	14	This section or text may be included as shown, modified or omitted.
Incorporation Provisions	15	This section or text may be included as shown depending on whether or not there is a Participating Employer, or may be omitted.

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
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Group Insurance Policy Form

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Page/Section	Item #	Explanation of Variable Areas
Premiums	16	This section or text may be included as shown or modified. The “frequency of premium payment” provision will vary based on the premium mode selected and as agreed upon between the Company and the Policyholder. Premiums are payable on a monthly, quarterly, biannual or annual basis. The word “monthly” may be replaced with “quarterly”, “semi-annually”, or “annually” or as case parameters dictate. If quarterly, the number reference will change to “1, 6 or 12”; if semi-annually, then “1, 3, or 12.”; if annually, then “1, 3 or 6”.
	17	This section or text will be included as shown or may be modified. Text may reflect a specific date, or “second”, or “third” policy anniversary.
	18	This section or text can be changed but will never be less than 31 days or the minimum required in your insurance regulations and statutes. The range is [31-90] days.
	19	The bracketed text will be included, omitted, or modified according to the structure of the group. For example, if a company has multiple divisions which could be insured, only the word division would appear and subsidiary and affiliated company would be deleted.
	20	This section or text can be changed, but will never be less than the amount shown or the minimum allowed by your insurance regulations and statutes. The range is 10% to 25%.
	21	This section or text will be included as shown or may be omitted.
	22	This section or text may be included as shown or may be modified. Premium charges for changes in insurance may begin on the date of the change, on the first day of the next policy month following the date of the change, on the premium due date coinciding with or next following the date of the change, or on any other date, as agreed upon between the Company and the Policyholder.
	23	This entire section will be included as shown or may be omitted.
End Of Insurance Provided By This Policy	24	This section or text will be included as shown or may be modified. Text may reflect a specific date, or “second”, or “third” policy anniversary, as agreed upon between the Company and the Policyholder.
	25	This section or text will be included as shown, or may be modified or omitted.
	26	This section or text can be changed but will never be less than 30 days or the minimum required in your insurance regulations and statutes. The range is [30-180] days.

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
District of Columbia Explanation of Variable Areas for
Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614

Group Insurance Policy Form

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Page/Section	Item #	Explanation of Variable Areas
	27	This section or text can be changed but will never be less than 2 lives or the minimum required in your insurance regulations and statutes. The range is [2-10] employees.
	28	This entire section may be included as shown, modified or may be omitted.
	29	This section or text will be included as shown or may be omitted.
	30	This section describes the grace period. This can be changed but will never be less than 31 days or the minimum required in your insurance regulations and statutes. The range is 31-90 days.
	31	This section or text will be included as shown or may be omitted.
	32	This section or text will be included as shown when issued to a Trust or may be omitted.
	33	This entire section will be included as shown when there is a Participating Employer or may be omitted.
	34	One of these text sections would be included as shown and the other omitted.
General Provisions	35	This section or text will be included as shown when there is a Participating Employer or may be omitted.
	36	One of these text sections would be included as shown and the others omitted.
	37	This section or text will be included as shown or may be omitted.
	38	This section or text will be included as shown or may be omitted.
	39	This section or text will be included as shown when issued to a Trust or may be omitted.
	40	This section or text will be included as shown or may be omitted.
	41	The information on the right side of the footer section will be changed and updated to allow for coding for internal use only.

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
District of Columbia Explanation of Variable Areas for
Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614

Group Insurance Certificate Form

G-DIS-41001-DC-0614

- These forms are representations of our product design to be used for Short Term Disability (STD) benefits, Long Term Disability (LTD) benefits as well as other disability benefit durations in between. Although this form is being filed as a combined STD and LTD product, certificates for each product may be issued as a combined certificate or as separate certificate. Bracketed items throughout the form may be included as shown, omitted or modified as further described in this Explanation of Variable Areas and depending on the plan design, as agreed upon between the Policyholder and the Company. The benefits and ranges shown will always comply with the minimum statutory requirements of the state in which the policy is delivered.
- Certificates will be issued to each insured person. For issue, specific benefits may be outlined directly in the Certificate of Insurance on the Schedule of Benefits Page as a “no-name” option or may be outlined on a customized “sticker” format as an option. The term “sticker” refers to a customized schedule page that identifies an insured’s specific benefits under a plan. The term may also be modified to read “Schedule Page”, “Benefit Schedule”, “Personalized Schedule Page”, “Schedule of Benefits Page” or a similar term.
- The layout, format and information reflected on the Schedule of Benefits page will vary from plan to plan, and may also vary between different classes of insureds. However, it will be reflective of the benefits issued to the different classes of insureds shown thereon.
- The nature and structure of the plan(s) may require that certain terms be changed to fit the plan design which is within the benefit parameters and benefit amounts. Throughout the forms, the words “weekly”, “Weekly Earnings”, “Weekly Payment” and similar terms may appear in brackets. These will change to “Monthly” when used in the context of an LTD plan. This may not be specifically noted each time it appears.
- The Certificate Index is variable. The section headings will correlate with the section headings of the Certificate. Appropriate page numbers will be inserted. Each item listed in the Index will be included as shown or omitted. References to page numbers will be consistent with the information as it appears in the form.
- The defined terms in the certificate may be included as shown, omitted or modified within the areas of variability based on the benefits selected by the Policyholder. There may be other variations which may be changed within the range of the variation shown in the certificate form and as allowable under the state’s statutes and regulations.
- Bracketed items will vary on a case-by-case basis. The issue format type, the class of employees, members or retirees and the nature and structure of the group may require that certain terms be changed or omitted. The term “Employer” may be changed to read “Policyholder” (for employer-employee groups) or may be changed to read “Participating Employer” (when issued to a Trust).

American General Life Insurance Company
Group Short Term and Long Term Disability Insurance
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Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614

Group Insurance Certificate Form

G-DIS-41001-DC-0614

Page/Section	Item #	Explanation of Variable Areas
FACE PAGE		
	1	A space has been left for Policyholder and/or Company logos to be included or omitted.
	2	The name of the underwriting company may be changed as needed due to mergers, acquisitions, rebranding or for marketing purposes. However, we will always seek the approval of the Department prior to the name change.
	3	The physical address or telephone number of the Company may change from time to time. This information will be revised as needed should the contact information change to reflect the current address or telephone number of the underwriting Company so interested parties can locate the respective offices.
	4	The term "Employee" is bracketed for use and may be included as shown or modified to reflect a similar term to describe insureds, such as "Associate", "Member", etc., as agreed upon between the Policyholder and the Company or may be omitted (in cases of a retiree only certificate). Employee is bracketed where it appears, but is not specifically described each time it appears.
	5	This section or text will be included as shown or may be modified.
	6	The term "sticker" refers to a customized schedule page that identifies an insured's specific benefits under a plan and may be modified to read "Schedule Page", "Benefit Schedule", "Personalized Schedule Page", "Schedule of Benefits Page" or a similar term. For issue, specific benefits may be outlined directly in the Certificate of Insurance on the Schedule of Benefits Page as a "no-name" option or may be outlined on a customized "sticker" format as an option.
	7	This entire section makes reference to the date on which insurance under the policy takes effect, which may occur either immediately, on the first of the month following the date of the event, on the premium due date coinciding with or next following the date of the event or on any other stated date, as agreed upon between the Policyholder and the Company. This section may be included as shown or modified when the "sticker" format is used. This section may be omitted when the "no-name" format is used.
	8	This section or text will be used for groups that do not require "a 5 consecutive day rule" before insurance takes effect and may be included as shown, modified or omitted.

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Form Numbers: G-DIS-41000-DC-0614 and G-DIS-41001-DC-0614

Group Insurance Certificate Form

G-DIS-41001-DC-0614

Page/Section	Item #	Explanation of Variable Areas
	9	This section or text will be used for groups that require "a 5 consecutive day rule" before insurance takes effect and may be included as shown, modified or omitted.
	10	This entire section may be included as shown or may be modified when issued to a Trust.
	11	The Policyholder name and group policy no. will vary on a case-by-case basis.
	12	This section or text will be included as shown for rewrites/rolled-over cases that were previously issued by another Company and rewritten to this series or will be omitted.
	13	This section or text will be included as shown when the issue format type of the certificate is an electronic version such as .pdf, cd, disk, etc., at the request of the Policyholder, or it will be omitted.
	14	This sentence will be included as shown or will be omitted when issued to a Trust.
CERTIFICATE INDEX	15	The Certificate Index is variable in regard to both section headings and page numbers and is based on plan design. Subsections within the bracketed section headings will be included as shown or may be omitted based on plan design. The information as shown will be included in the Certificate Index to allow the reader to locate the appropriate sections.
	16	This entire section will be included as shown or modified to omit subsections based on plan design when a STD plan is elected.
	17	This entire section will be included as shown or modified to omit subsections based on plan design when a LTD plan is elected.
SCHEDULE OF BENEFITS	18	The Schedule of Benefits page will be used for Short Term Disability (STD) benefits, Long Term Disability (LTD) benefits and other disability benefit durations in between. The Schedule of Benefits page is variable and will only reflect those benefits for which the certificate holder is insured, as agreed upon between the Policyholder and the Company, and will always comply with the minimum statutory requirements of the state in which the policy is delivered. The benefits and ranges shown on the Schedule of Benefits page are those that the Company intends to make available to Policyholders. Issued amounts will always be within the ranges shown. Specific terminology shown may vary to reflect the Policyholder's plan. The Schedule of Benefits page illustrates several plan options that may be issued for the STD plan and the LTD plan. The Elimination Period, Maximum Benefit, Maximum Period of Payment, etc. for each plan would be included in the issued documents, as agreed upon between the Policyholder and the Company.

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Page/Section	Item #	Explanation of Variable Areas
	19	Heading will be included when certificate includes this plan.
	20	This section is illustrative and may be included as shown or modified to show the eligibility description between different classes of insureds according to the Policyholder's requirements, as agreed upon between the Policyholder and the Company.
	21	References to the date on which the policy will take effect, amendment effective date and policy anniversary date are bracketed to be consistent with the terms, as agreed upon between the Company and the Policyholder. These sections may be included as shown, modified or omitted. "Policy Effective Date" may also be changed to "Plan Effective Date". "Policy Anniversary Date" may also be changed to "Plan Anniversary Date".
	22	This section may be included as shown, modified or omitted. The Waiting Period is variable and will reflect the waiting period, as agreed upon between the Policyholder and the Company. The Waiting Period can include either "Present Eligible Persons" and/or "Future Eligible Persons". The Policyholder can modify the waiting period to reference "None", "1 month", "30 days", "the first day of the month following the date the insured person enters an eligible class" or any other time period, as agreed upon between the Policyholder and the Company. The Waiting Period can be in either days or months.
	23	This section may be included as shown or may be modified. This section is variable and will reflect the Elimination Period, as agreed upon between the Policyholder and the Company. The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulations. If the Elimination Period is addressed on the "sticker", it may not be included in the certificate.
	24	This section or text may be included as shown when STD plan includes First Day Hospitalization or may be omitted.
	25	This section or text may be included as shown when STD plan includes Outpatient Surgery, modified or may be omitted.
	26	These notes in parenthesis are internal drafting notes, which will be removed for case issuance. They are intended to show the language used for policy issuance according to plan design for the various options illustrated. Only one of the options illustrated will be used for policy issuance, as agreed upon between the Company and the Policyholder.

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Page/Section	Item #	Explanation of Variable Areas
	27	The Maximum benefit per week/month sections illustrate several options that may be issued for the STD plan and the LTD plan. Only one of the options illustrated will be used for policy issuance. The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	28	This section or text may be included as shown or may be omitted.
	29	The Maximum Period of Payment sections illustrate several options that may be issued for the STD plan and the LTD plan. Only one of the options illustrated will be used for policy issuance. The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	30	The Minimum benefit per week/month sections may be included as shown or may be modified. The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	31	This section makes reference to the date on which an increase in insurance under the policy takes effect which may occur either immediately, on the first of the month [coinciding with or] [next following the] date of the change, on the premium due date [coinciding with or] [next following the] date of the change, on the policy anniversary [coinciding with or] [next following the] date of the change or on any other stated date, as agreed upon between the Policyholder and the Company, and may be included as shown, modified or omitted.
	32	Only one of the options illustrated will be used for policy issuance.
	33	This section or text may be included as shown or may be omitted when the plans do not include a pre-existing condition limitation.
DEFINITIONS	34	The defined terms shown in the forms may be included as shown, omitted or modified based on benefits being provided. Terms will be omitted if they do not apply to the specific set of benefits in a policy. Any modifications will be made within the range of variation shown and as allowable under the state's statutes and regulations.
	35	Only one of the options illustrated will be used for policy issuance. The option selected will align with the selected disability definition that is used throughout the Certificate of Insurance.
	36	This section or text may be included as shown or may be omitted.

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Page/Section	Item #	Explanation of Variable Areas
	36 ^a	Civil Union Partner definition will be included as shown when plans include Civil Union Partner coverage, at the option of the Policyholder, or may be omitted.
	36 ^b	Domestic Partner definition may be included as shown when plans include Domestic Partner coverage, at the option of the Policyholder, or may be omitted.
	37	The child will be under the age as defined or allowed by the Department of the Treasury.
	38	This section or text will reference "Weekly" when used in conjunction with the Short Term Disability and "Monthly" when used in conjunction with the Long Term Disability.
	39	The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	40 ^a	Definition included for STD or LTD Plans when the Definition of Disability = Total Disability Only.
	40 ^b	Only one of the Partial Disability options illustrated will be used for policy issuance when plan includes Partial Disability benefits, according to plan design as agreed upon, as agreed upon between the Policyholder and the Company. If this option is chosen, 40 ^c 40 ^d and 40 ^e will be omitted.
	40 ^c	Only one of the Partial Disability options illustrated will be used for policy issuance when plan includes Partial Disability benefits, according to plan design as agreed upon, as agreed upon between the Policyholder and the Company. If this option is chosen, 40 ^b 40 ^d and 40 ^e will be omitted.
	40 ^d	Only one of the Partial Disability options illustrated will be used for policy issuance when plan includes Partial Disability benefits, according to plan design as agreed upon, as agreed upon between the Policyholder and the Company. If this option is chosen, 40 ^b 40 ^c and 40 ^e will be omitted.
	40 ^e	Only one of the Partial Disability options illustrated will be used for policy issuance when plan includes Partial Disability benefits, according to plan design as agreed upon, as agreed upon between the Policyholder and the Company. If this option is chosen, 40 ^b 40 ^c and 40 ^d will be omitted.
	41	Only one of the options illustrated will be used for policy issuance.

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Page/Section	Item #	Explanation of Variable Areas
	42	The Weekly Earnings and Monthly Earnings definitions may be modified to align with the specifics of the earnings received by the eligible persons. Items shown may be included or omitted, and clarification may be added to any of these items to more specifically define earnings.
[EMPLOYEE] ELIGIBILITY	43	This section is illustrative and may be included as shown or modified to show the eligibility description between different classes of insureds according to the Policyholder's requirements, as agreed upon between the Policyholder and the Company.
	44	This section is variable and will be included as shown or may be modified to reflect the specific Waiting Period, as agreed upon between the Policyholder and the Company. The Waiting Period can include either "Present Eligible Persons" and/or "Future Eligible Persons". The Policyholder can modify the waiting period to reference "None", "1 month", "30 days", "the first day of the month following the date the insured person enters an eligible class" or any other time period, as agreed upon between the Policyholder and the Company. The Waiting Period can be in either days or months.
	45	This section makes reference to the date on which persons are eligible for insurance under the policy which may occur either immediately, on the first day of the month following the date of the event, on the premium due date coinciding with or next following the date of the event or on any other stated date, as agreed upon between the Policyholder and the Company, and may be included as shown or modified. Dates are bracketed to be consistent with the terms, as agreed upon between the Company and the Policyholder.
	46	This section or text may be included as shown, modified or may be omitted.
	47	This section makes reference to the date insurance takes effect under the policy and may be included as shown or may be modified to be consistent with the terms, as agreed upon between the Company and the Policyholder. The "cost of the insurance" sections may be modified or omitted if plan is contributory vs. non-contributory. The Evidence of Insurability Requirement section may be omitted if the plan does require EOI.

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Page/Section	Item #	Explanation of Variable Areas
	48	This section may be included as shown, modified or omitted (provision may be deleted for members or retirees only plan).
	49	This will be used for groups that do not require "a 5 consecutive day rule" before insurance takes effect and may be included as shown, modified or omitted.
	50	This will be used for groups that require "a 5 consecutive day rule" before insurance takes effect and may be included as shown, modified or omitted.
	51	This section makes reference to the date on which a person's insurance ends under the policy and will be included as shown or may be modified to reflect the specific terms, as agreed upon between the Policyholder and the Company.
	52	"Date" may be modified to read on the first day of the month following the date employment ends, on the premium due date coinciding with or next following the date employment ends, at the end of the month following the date employment ends, or on any other stated date, as agreed upon between the Policyholder and the Company, and may be included as shown, modified or omitted.
	53	Item #'s 5 and 6 are bracketed to be included as shown, modified or may be omitted.
	54	This section or text will be included as shown or omitted.
	55	This section will be included as shown, modified or omitted.
	56	This section may be included as shown when FMLA continuation is included or may be modified. The time periods may change in accordance with any future change to the FMLA.
SHORT TERM DISABILITY BENEFITS	57	This item will be included as shown or will be omitted.
	58	Only one of the options illustrated will be used for policy issuance.
	59	The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	60	This section will be included as shown when STD plan includes partial disability benefits or will be omitted when STD plan does not include partial disability benefits (definition of disability is "total" only).
	61	This section or text will be included as shown or may be modified.

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Page/Section	Item #	Explanation of Variable Areas
	62	This item will be included as shown or may be modified to correlate with the frequency of the employee's earnings. "Weekly" may be changed to "bi-weekly", "monthly" or any other mode selected by the Policyholder.
	63	This section will be included as shown, modified or may be omitted.
	64	The DEDUCTIBLE SOURCES OF INCOME and NON-DEDUCTIBLE SOURCES OF INCOME sections are bracketed for inclusion or omission at the option of the Policyholder. If sections are included, individually bracketed items may be included or omitted according to plan design. Appropriate item number(s) will be adjusted. Individually bracketed items removed from the DEDUCTIBLE SOURCES OF INCOME section may be added to the NON-DEDUCTIBLE SOURCES OF INCOME section and vice versa.
	65	This section is bracketed in its entirety and may be included as shown or omitted at the option of the Policyholder and according to plan design, as agreed upon between the Company and the Policyholder.
	66	This section is bracketed in its entirety and may be included as shown or omitted at the option of the Policyholder and according to plan design, as agreed upon between the Company and the Policyholder. Other terms used may include "group plan" or other similar terms that properly describes the nature of the group being insured.
	67	The Exclusions section is variable. Items will be included as shown or omitted based on plan design.
LONG TERM DISABILITY BENEFITS	68	Only one of the options illustrated will be used for policy issuance according to plan design, as agreed upon between the Company and the Policyholder.
	69	This section will be included when LTD plan includes partial disability benefits or will be omitted when LTD plan does not include partial disability benefits (definition of disability is "total" only). Following this section are four different options that are shown when policy includes "Partial" Disability benefits. Only one of the options illustrated will be used for policy issuance according to plan design, as agreed upon between the Company and the Policyholder.
	70	The range shown is the range that will be issued. Issued amounts will be within the ranges allowed under your statutes and regulation.
	71	This section or text will be included as shown or omitted according to plan design, as agreed upon between the Company and the Policyholder.
	72	These notes in parenthesis are internal drafting notes, which will be removed for case issuance. They are intended to show the language used for policy issuance according to plan design for the various options illustrated. Only one of the options illustrated will be used for policy issuance, as agreed upon between the Company and the Policyholder.

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Page/Section	Item #	Explanation of Variable Areas
	73	This item will be included as shown or may be modified to correlate with the frequency of the employee's earnings. "Monthly" may be changed to "bi-weekly" or any other mode selected by the Policyholder.
	74	The DEDUCTIBLE SOURCES OF INCOME sections (Direct and Indirect) and NON-DEDUCTIBLE SOURCES OF INCOME sections are bracketed for inclusion or omission at the option of the Policyholder. If sections are included, individually bracketed items may be included or omitted according to plan design. Appropriate item number(s) will be adjusted. Individually bracketed items removed from the DEDUCTIBLE SOURCES OF INCOME sections may be added to the NON-DEDUCTIBLE SOURCES OF INCOME section and vice versa.
	75	This section is bracketed in its entirety and may be included as shown or omitted at the option of the Policyholder and according to plan design, as agreed upon between the Company and the Policyholder.
	76	This section is bracketed in its entirety and may be included as shown or omitted at the option of the Policyholder and according to plan design, as agreed upon between the Company and the Policyholder. Other terms used may include "group plan" or other similar terms that properly describes the nature of the group being insured.
	77	The Exclusions section is variable. Items will be included as shown or omitted based on plan design.
GENERAL PROVISIONS	78	This text will be included as shown or omitted.
CLAIM PROVISIONS	79	This text will be included as shown or omitted.
	80	This text will reference "weekly while" or "every 2 weeks while" when used in conjunction with the Short Term Disability and "at the end of each month that" when used in conjunction with the Long Term Disability.
	81	The number "3" is bracketed and will be set according to the law of the state in which the policy is delivered.
	82	The information on the right side of the footer section will be changed, omitted or updated to allow for coding for internal use only.

State:	District of Columbia	Filing Company:	American General Life Insurance Company
TOI/Sub-TOI:	H11G Group Health - Disability Income/H11G.003 Long Term		
Product Name:	STD/LTD		
Project Name/Number:	STD/LTD QF 11/2014/STD/LTD QF 11/2014		

Correspondence Summary

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Colin Johnson	07/22/2015	07/22/2015

Response Letters

Responded By	Created On	Date Submitted
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State: District of Columbia **Filing Company:** American General Life Insurance Company
TOI/Sub-TOI: H11G Group Health - Disability Income/H11G.003 Long Term
Product Name: STD/LTD
Project Name/Number: STD/LTD QF 11/2014/STD/LTD QF 11/2014

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/22/2015
Submitted Date	07/22/2015
Respond By Date	07/24/2015

Dear Melondy Urquhart,

Introduction:

Amend your "Spouse" definition to " Whenever the term Spouse appears in the Policy, this provision includes the Definition of civil union and domestic partner into the Policy."

Conclusion:

Sincerely,
Colin Johnson

CERTIFICATE OF INSURANCE

[The *Company* certifies that certain eligible persons are insured for the benefits described in this certificate. This insurance is subject to the eligibility and effective date requirements described in the [EMPLOYEE]⁴ ELIGIBILITY section of this certificate.]⁵

[DATE YOUR INSURANCE TAKES EFFECT

[Your insurance will take effect on the date shown on the [sticker]⁶. You must be Actively at Work in an eligible class on this date. If you are not, your insurance will take effect on the day you resume such work.]⁸

[Your insurance will take effect on the date shown on the [sticker]⁶ if you are Actively at Work on this date, and you have been Actively at Work in an eligible class for the 5 consecutive days immediately prior to this date. Otherwise, your insurance will take effect on the date immediately following a period of 5 consecutive days of Full-Time work, provided you are Actively at Work on that date.]⁹

The date insurance is to take effect might not be a scheduled workday. If so, you will be considered Actively at Work on such date if you were Actively at Work [on your last scheduled workday]⁸ [for the 5 consecutive workdays immediately prior to this date]⁹. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.]⁷

IMPORTANT NOTICE

[This certificate is a summary of the group policy provisions that affect **your** insurance. It is merely evidence of the insurance provided by such policy for _____¹¹ (the Policyholder).

The group policy is a contract between the *Company* and the Policyholder. It may be changed or ended without notice to or consent of any insured person.

This certificate replaces any certificate previously issued by the *Company* to you under the group policy.

[This certificate replaces any certificate previously issued by another AIG company to you under that AIG company's group policy.]¹²

The benefits described in this certificate are provided by group policy no. _____¹¹.]¹⁰

[The *Company* is providing this electronic version of the certificate at the request of the [Policyholder][Participating Employer]. [The [Policyholder][Participating Employer] maintains the group policy, which includes a copy of the certificate. The group policy is available for you to review and copy.]¹⁴ If there is any conflict between the information in this electronic version of the certificate and the group policy, the group policy will control in all respects.]¹³

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SCHEDULE OF BENEFITS¹⁸

[SHORT TERM DISABILITY BENEFITS]¹⁹

[Class 1]²⁰ [All Employees]²⁰

[Policy Effective Date:]²¹

[MONTH DD, YR]²¹

[Amendment Effective Date:]²¹

[MONTH DD, YR]²¹

[Policy Anniversary Date:]²¹

[MONTH DD, YR]²¹ and each subsequent [MONTH DD]²¹

[Waiting Period:]²²

Present Eligible Persons

[XXXXXX]²²

Future Eligible Persons

[XXXXXX]²²²²

[Elimination Period:]²³

- for Injury
- for Sickness

[0-31 consecutive days]²³
[see sticker]⁶

[0-31 consecutive days]²³
[see sticker]⁶

[If you are Hospital-Confined as an Inpatient, benefits begin immediately.]²⁴

[If you are an Outpatient for surgery, benefits begin immediately.]²⁵²³

Maximum benefit per week of Disability²⁷

(Percentage)²⁶

[20-70%]²⁷ of your Weekly Earnings, up to [\$100-5,000]²⁷ [*]²⁸

Maximum benefit per week of Disability²⁷

(Flat)²⁶

[\$100-5,000]²⁷ per week[, not to exceed [20-70%]²⁷ of your Weekly Earnings]²⁸

Maximum benefit per week of Disability²⁷

(Voluntary)²⁶

The amount you elected in [\$10-100]²⁷ increments and are paying premiums on [as shown on the sticker]⁶, not to exceed [20-70%]²⁷ of your Weekly Earnings, subject to a minimum benefit election of [\$10-100]²⁷ and a maximum benefit of [\$100-5,000]²⁷

SCHEDULE OF BENEFITS¹⁸

[SHORT TERM DISABILITY BENEFITS]¹⁹

[*The following applies to your Weekly Benefit in excess of [\$100-5,000]²⁷

You must submit Evidence of Insurability to the *Company*. You will be insured for your Weekly Benefit in excess of [\$100-5,000]²⁷ on the later of:

- the date the *Company* approves your Evidence of Insurability form, or
- the date your Weekly Benefit in excess of [\$100-5,000]²⁷ is effective.]²⁸

Your payment may be reduced by Deductible Sources of Income and Disability Earnings. Some disabilities may not be covered [, or may have limited coverage,]²⁸ under the group policy.

Maximum Period of Payment²⁹

[1-52]²⁹ weeks

Minimum benefit per week of Disability³⁰

[\$0-25]³⁰

Change In Amount Of Your Insurance

A change in your status may result in a change in your amount of insurance.

For a decrease

If insurance is to end or decrease, such change will take effect on the date of change.

For an increase

[An increase in your amount of insurance will take effect on the [first day of the month]³¹ [policy anniversary]³¹ [January 1]³¹ [coinciding with or]³¹ [next following]³¹ the date of change.]³²

[An increase in your amount of insurance will take effect on the date stated in writing by the *Company*.]³²

You must be Actively at Work in an eligible class on the date an increase in your insurance is to take effect. If you are not, such increase will take effect on the date you resume such work.

The date the increase is to take effect may not be a scheduled workday. If so, you will be considered Actively at Work on such date, if you were Actively at Work on your last scheduled workday. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.

[An increase in your amount of insurance may be subject to a pre-existing condition limitation as described in the **PRE-EXISTING CONDITIONS** subsection of the **LIMITATIONS** provision.]³³

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

[Class 1]²⁰ [All Employees]²⁰

[Policy Effective Date:]²¹

[MONTH DD, YR]²¹

[Amendment Effective Date:]²¹

[MONTH DD, YR]²¹

[Policy Anniversary Date:]²¹

[MONTH DD, YR]²¹ and each subsequent [MONTH DD]²¹

[Waiting Period:²²

Present Eligible Persons

[XXXXX]²²

Future Eligible Persons

[XXXXX]²²²²

[Elimination Period:²³

[the later of:]²⁷

- [30-1,825]²³ days[, or
- the date your Salary Continuation or Accumulated Sick Leave ends, if applicable]²⁷

OR

[see sticker]⁶²³

(Percentage)²⁶

Maximum benefit per month of Disability²⁷

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

Maximum benefit per month of Disability²⁷

(Flat)²⁶

[\$100-40,000]²⁷ per month[, not to exceed [20-80%]²⁷ of your Monthly Earnings]²⁸

Maximum benefit per month of Disability²⁷

(Voluntary)²⁶

The amount you elected in [\$10-1,000]²⁷ increments and are paying premiums on [as shown on the sticker]⁶, not to exceed [20-80%]²⁷ of your Monthly Earnings, subject to a minimum benefit election of [\$100-40,000]²⁷ and a maximum benefit of [\$100-40,000]²⁷

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Maximum benefit per month of Disability²⁷

Core Plan²⁶

(Percentage)²⁶

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

(Flat)²⁶

[\$100-40,000]²⁷ per month[, not to exceed [20-80%]²⁷ of your Monthly Earnings]²⁸

(Buy-Up Plan)²⁶

[20-80%]²⁷ of your Monthly Earnings, up to [\$100-40,000]²⁷ [*]²⁸

[*The following applies to your Monthly Benefit in excess of [\$100-40,000]²⁷:

You must submit Evidence of Insurability to the *Company*. You will be insured for your Monthly Benefit in excess of [\$100-40,000]²⁷ on the later of:

- the date the *Company* approves your Evidence of Insurability form, or
- the date your Monthly Benefit in excess of [\$100-40,000]²⁷ is effective.]²⁸

Your payment may be reduced by [Direct]²⁸ [and]²⁸ [Indirect]²⁸ Deductible Sources of Income and Disability Earnings. Some disabilities may not be covered [, or may have limited coverage,]²⁸ under the group policy.

Minimum benefit per month of Disability³⁰

[the greater of:

- [1-15%]³⁰ of your Gross Disability Payment, or
-]³⁰ [\$50-500]³⁰

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Maximum Period of Payment for each Injury or
Sickness:²⁹

(SSNRA)²⁶

- [if Disability begins prior to age 60 to Social Security Normal Retirement Age (SSNRA)*
- if Disability begins at attained age:

60	60 months or to SSNRA*, whichever is greater
61	48 months or to SSNRA*, whichever is greater
62	42 months or to SSNRA*, whichever is greater
63	36 months or to SSNRA*, whichever is greater
64	30 months or to SSNRA*, whichever is greater
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

*Age at which you are entitled to unreduced Social Security benefits based on the Social Security Amendments of 1983.

Year of Birth	Normal Retirement Age
1937 or before	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943 - 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or after	67] ²⁹

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

(1-10 year benefit duration)²⁶

- [if Disability begins prior to age 64 to the lesser of [1-10 years]²⁹ or up to age 65
- if Disability begins at attained age 64 and over 12 months]²⁹

(to Age 65)²⁶

- [if Disability begins prior to age 60 to age 65, but not less than 5 years
- if Disability begins at attained age:

60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months] ²⁹

(65/5/70)²⁶

- [if Disability begins prior to age 60 to age 65, but not less than 5 years
- if Disability begins at attained age:

60 to 64	5 years
65 to 68	to age 70
69 and over	one year] ²⁹

(to Age 70)²⁶

- [if Disability begins prior to age 69 to age 70
- if Disability begins at attained age 69 and over one year]²⁹

SCHEDULE OF BENEFITS¹⁸

[LONG TERM DISABILITY BENEFITS]¹⁹

Change In Amount Of Your Insurance

A change in your status may result in a change in your amount of insurance.

For a decrease

If insurance is to end or decrease, such change will take effect on the date of change.

For an increase

[An increase in your amount of insurance will take effect on the [first day of the month]³¹ [policy anniversary]³¹ [January 1]³¹ [coinciding with or]³¹ [next following the]³¹ date of change.]³²

[An increase in your amount of insurance will take effect on the date stated in writing by the *Company*.]³¹

You must be Actively at Work in an eligible class on the date an increase in your insurance is to take effect. If you are not, such increase will take effect on the date you resume such work.

The date the increase is to take effect may not be a scheduled workday. If so, you will be considered Actively at Work on such date, if you were Actively at Work on your last scheduled workday. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.

[An increase in your amount of insurance may be subject to a pre-existing condition limitation as described in the **PRE-EXISTING CONDITIONS** subsection of the **LIMITATIONS** provision.]³³

DEFINITIONS³⁴

Accident means an event or occurrence which is sudden, unforeseen and unintended.

Active Work and **Actively at Work** means that:

- you are working for your Employer for earnings that are paid regularly, and
- you are performing the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ on a Full-Time basis. This must be done at the Employer's business, an alternative worksite at the direction of your Employer, such as your home, or any place to which such business requires you to travel.

Activities of Daily Living means the following activities:

- Bathing - the ability to wash oneself in either a tub or shower, or by sponge bath; including the tasks of getting into and out of the tub or shower with or without the assistance of equipment;
- Dressing - the ability to put on, take off, and secure all necessary and appropriate items of clothing and any necessary braces or artificial limbs;
- Toileting - the ability to get to and from the toilet, get on and off the toilet, and perform associated personal hygiene with or without the assistance of equipment;
- Transferring - the ability to move in and out of bed, chair, or wheelchair with or without the assistance of equipment;
- Mobility - the ability to walk or wheel on a level surface from one room to another with or without the assistance of equipment;
- Eating - the ability to get nourishment into the body by any means once it has been prepared and made available to one with or without the assistance of equipment; and
- Continence - the ability to voluntarily maintain control of bowel and/or bladder function or, in the event of incontinence, the ability to maintain a reasonable level of personal hygiene.

Any activity of daily living that you are not able to perform, without Stand-By Help, prior to the effective date of your coverage will not be covered.³⁴

Change In Family Status means:

- your marriage;
- the birth or adoption of a child, or becoming the legal guardian of a child;
- [the death of, or divorce from, your spouse; or]³⁶
- [the death of, or emancipation of, a child.]³⁶

DEFINITIONS³⁴

Child Care Expenses means the amount you spend for care of your Children in order for you to work or be trained under a Rehabilitation Program. To qualify:

- your Children must be under age [13]³⁷, or unable to earn a living because physical or mental handicap; and
- the person who cares for your Children cannot be an Immediate Family Member.

Proof of physical or mental handicap must be sent to the *Company*.

The [weekly]³⁸ [monthly]³⁸ expenses that you incur for Child Care Expenses must be documented by receipts from the child care provider which include the child care provider's social security number or taxpayer identification number.³⁴

Children means your children whom you support. "Children" includes stepchildren, foster children, adopted children, and children who are in the process of adoption and supported by you.

Civil Union Partner means a same-sex relationship similar like marriage that is recognized by law.^{36a}

Cognitive Impairment means that you have been certified by a Doctor as having a deterioration or loss in intellectual capacity, resulting from Injury, Sickness, Alzheimer's disease or similar forms of irreversible dementia, and you need another person's active help or verbal guidance for your own protection and the protection of others.

Cognitive Impairments due to, caused by, or contributed to by, cognitive conditions that began prior to the effective date of your coverage will not be covered.³⁴

Complications of Pregnancy means:

- conditions distinct from pregnancy, but caused or affected by it, which require hospitalization, provided the pregnancy does not terminate during such hospitalization;
- non-elective caesarian section;
- a terminated ectopic pregnancy; or
- a spontaneous termination of pregnancy which occurs when a viable birth is not possible.

Confined or Confinement means an admitted hospital stay of at least 8 hours a day.³⁴

Consumer Price Index (CPI-W) means the index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. It measures on a periodic (usually monthly) basis the change in the cost of typical urban wage earners' and clerical workers' purchase of certain goods and services. If the index is discontinued or changed, the *Company* may use another nationally published index that is comparable to the CPI-W.³⁴

Conversion Period means the [30-90]³⁹ days after insurance ends.³⁴

Deductible Sources of Income, as listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. This income will be subtracted from your Gross Disability Payment.³⁴

DEFINITIONS³⁴

Direct Deductible Sources of Income, as listed in the **[DIRECT]**³⁶ **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. [This income may be subtracted from your Gross Disability Payment using the methods described in the **IF YOU ARE DISABLED AND NOT WORKING** and the **IF YOU ARE DISABLED AND WORKING** provisions, and from your **[Indexed]**³⁶ Monthly Earnings using the methods described in the **IF YOU ARE DISABLED AND WORKING** provision.]^{36, 34}

Disability or Disabled^{40a} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy, and that you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ due to your Sickness or Injury and you are not working in any occupation.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ does not alone mean that you are Disabled.^{40a}

Disability or Disabled^{40b} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ due to your Sickness or Injury; **[and][or]**
- you have a **[15-80%]**³⁹ or more loss in **[Indexed]**³⁶ **[Monthly]**³⁸**[Weekly]**³⁸ Earnings due to the same Sickness or Injury; **[and]**
- **[during the Elimination Period you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]**³⁵**[Regular Job]**³⁵ due to your Sickness or Injury; and you are not working in any occupation; **[or]**³⁶
- **[you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and**
 - your license to practice your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ has been revoked due to the Infectious and Contagious Disease causing the Disability;
 - you or your license have limitations or restrictions imposed, and, as a result, you are unable to perform all the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵; or
 - it has been disclosed that you are infected with an Infectious and Contagious Disease; and
 - you have a **[15-80%]**³⁹ or more loss in **[Indexed]**³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.]³⁶

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your **[Regular Occupation]**³⁵**[Regular Job]**³⁵ does not alone mean that you are Disabled.^{40b}

DEFINITIONS³⁴

Disability or Disabled^{40c} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury;[and][or]
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; [and]
- [during the Elimination Period you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury; and you are not working in any occupation; [or]]³⁶
- [you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and
 - your license to practice your [Regular Occupation]³⁵[Regular Job]³⁵ has been revoked due to the Infectious and Contagious Disease causing the Disability;
 - you or your license have limitations or restrictions imposed, and, as a result, you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵; or
 - it has been disclosed that you are infected with an Infectious and Contagious Disease; and
 - you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.]³⁶

After Disability benefits have been payable for [6 – 60]³⁹ months, you will continue to receive payments, if you are also:

- working in any occupation and continue to have a [15-80%]³⁹ or more loss in your [Indexed]³⁶ Monthly Earnings due to your Sickness or Injury; or
- not working, and due to the same Sickness or Injury, are unable to perform the duties of any Gainful Occupation for which you are reasonably fitted by education, training, or experience.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ does not alone mean that you are Disabled.^{40c}

DEFINITIONS³⁴

Disability or Disabled^{40d} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are unable to perform all the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ due to your Sickness or Injury;
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; or
- while you are unable to perform all of the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵, you are unable to work in any occupation, and have at least a [15-80%]³⁹ or more loss in your [Indexed]³⁶ Monthly Earnings.

After Disability benefits have been payable for [6 – 60]³⁹ months, you will continue to receive payments if you remain Disabled, as defined above, and

- you are continuously unable to perform 2 or more Activities of Daily Living without Stand-By Help;
- you have a Cognitive Impairment; or
- you have a terminal illness.

Your failure to pass a physical examination required to maintain a license to perform the Material and Substantial Duties of your [Regular Occupation]³⁵[Regular Job]³⁵ does not alone mean that you are Disabled.^{40d}

Disability or Disabled^{40e} means the *Company* has determined that a change in your functional capacity to work as a result of your Sickness or Injury began while you are covered under the group policy and that:

- you are not working, and due to your Sickness or Injury, are unable to perform the duties of any Gainful Occupation for which you are reasonably fitted by education, training or experience; [and]
- you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Sickness or Injury; [and]
- [during the Elimination Period you are unable to work in any occupation; [or]]³⁶
- [you carry an Infectious and Contagious Disease, and you first tested positive for the Infectious and Contagious Disease after the effective date of your coverage; and
 - it has been disclosed that you are infected with an Infectious and Contagious Disease;
 - you have a [15-80%]³⁹ or more loss in [Indexed]³⁶ Monthly Earnings due to the same Infectious and Contagious Disease immediately prior to disclosure, and
 - you have never refused to be immunized against the Infectious and Contagious Disease for which you are claiming a Monthly Benefit.^{40e}

Disability Earnings means the earnings that you receive while you are Disabled and working [plus the earnings you could receive if you were working to your Maximum Capacity].^{36, 34}

DEFINITIONS³⁴

Doctor means:

- a person performing tasks that are within the limits of his or her medical license; and
- a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- a person with a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- a person who is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

The Doctor may not be you, or an Immediate Family Member. The Doctor cannot reside with you, or be retained by your Employer.

Domestic Partner means an unmarried same or opposite sex adult who [meets either of the following criteria:

- 1.³⁶ resides with you and has registered in a state or local domestic partner registry with you³⁶; or
2. has met all of the following requirements:
 - has resided with you and shared financial assets and obligations with you for at least [6-24]³⁹ consecutive months immediately preceding the effective date of coverage;
 - is not related by blood to you to a degree of closeness that would prohibit a legal marriage;
 - is at least the age of consent in the state in which they reside; and
 - neither you nor his or her partner is married to anyone else, or has any other Domestic Partner³⁶.

[The *Company* may require proof of the relationship [in the form of a signed and completed [Affidavit]⁴¹ [Declaration]⁴¹]³⁶.

[If proof of domestic partnership, as described, is provided to the *Company*, references to Spouse will read Domestic Partner as it applies, unless specifically stated otherwise.]^{36, 36b}

Eligible Survivor means your Spouse if living, otherwise, your Children under age [19-25].^{39, 34}

Elimination Period means a period of continuous Disability that must be satisfied before you are eligible to receive benefits from the *Company*. You must be under the Regular Care of your Doctor during the Elimination Period. The duration of the Elimination Period is shown in the Schedule of Benefits. Benefits begin on the day after the Elimination Period is completed. [If Disability stops during the Elimination Period for [1-365 days]³⁹ or less, then the Disability will be treated as continuous. The days that you are not Disabled will not count toward your Elimination Period.]³⁶ [You can satisfy the Elimination Period if you are working, providing you meet the definition of Disability.]³⁶

Employer means the [Policyholder]⁴¹[Participating Employer]⁴¹, and includes any division, subsidiary or affiliated company which is reported to the *Company* in writing for inclusion under the group policy, provided that the *Company* has approved such request].³⁶

DEFINITIONS³⁴

Evidence of Insurability means a statement or proof of a person's medical history upon which acceptance for insurance will be determined by the *Company*. Evidence of Insurability will be provided at your own expense.³⁴

Full-Time means Active Work on the Employer's regular work schedule for the class of employees to which you belong. The work schedule must be [20-60]³⁹ hours a week.³⁴

Gainful Occupation means an occupation that is, or can be, expected to provide you with an income equal to the lesser of your gross Monthly Benefit or [\$6,000-15,000]³⁹ per month within 12 months of your return to work.^{35, 34}

Gainful Occupation means an occupation that is, or can be, expected to provide you with an income equal to [60%, 80%]⁴¹ of your Indexed Monthly Earnings within 12 months of your return to work.^{35, 34}

Gainful Work means the performance of any occupation for wages, remuneration, or profit, for which you are qualified by education, training or experience on a Full-Time or Part-Time Basis, for the Employer or another employer, and which the *Company* approves, and for which the *Company* reserves the right to modify approval in the future.³⁴

Generally Accepted Medical Practice or **Generally Accepted in the Practice of Medicine** means care and treatment as determined by the *Company*.

Gross Disability Payment means the benefit amount before the *Company* subtracts Deductible Sources of Income, Disability Earnings [, and any tax withholdings]^{36, 35}.

Gross Disability Payment means the benefit amount before the *Company* subtracts [Direct]³⁶ [and]³⁶ [Indirect]³⁶ Deductible Sources of Income and Disability Earnings.³⁵

Hospital or Institution means an accredited facility licensed to provide care and treatment for the condition causing your Disability.³⁴

Hospital-Confined means you are Confined as an In-Patient in a Hospital or Institution.³⁴

Immediate Family Member means a person who is related to you in any of the following ways: Spouse; brother-in-law; sister-in-law; son-in-law; daughter-in-law; mother-in-law; father-in-law; parent (includes stepparent); grandparent; brother or sister (includes stepbrother or stepsister); Children; aunt; uncle; niece; nephew, or grandchild.

Indexed Monthly Earnings means your Monthly Earnings adjusted on each anniversary of benefit payments by [the lesser of [7-10%]³⁹ or]³⁶ [the current annual percentage in the Consumer Price Index]³⁶. Your Indexed Monthly Earnings may increase or remain the same, but will never decrease.

Indexing is only used to determine your percentage of lost earnings while you are Disabled and working.³⁴

Indirect Deductible Sources of Income, as listed in the [INDIRECT]³⁶ **DEDUCTIBLE SOURCES OF INCOME** provision, means income from deductible sources that you receive or are eligible to receive while you are Disabled. [Portions of this income may be subtracted from your Gross Disability Payment using the methods described in the **IF YOU ARE DISABLED AND NOT WORKING** and the **IF YOU ARE DISABLED AND WORKING** provisions and from your [Indexed]³⁶ Monthly Earnings using the methods described in the **IF YOU ARE DISABLED AND WORKING** provision.]^{36, 34}

DEFINITIONS³⁴

Infectious and Contagious Disease means a disease that is categorized by the Center for Disease Control as infectious and contagious.³⁴

Injury means a bodily Injury that is the direct result of an Accident and not related to any other cause. Injury that occurs before you are insured under the group policy will be treated as a Sickness.

Inpatient means an individual who is physically Confined as a registered bed patient in a Hospital or Institution.³⁴

Law, Plan, or Act means the original enactment of the law, plan, or act and all amendments.

Material and Substantial Duties means duties that:

- are normally required for the performance of your [Regular Occupation]³⁵[Regular Job]³⁵, and
- cannot be reasonably omitted or modified [except that if you are required to work on an average in excess of [10-40]³⁹ hours a week, the *Company* will consider you able to perform that requirement if you are working, or have the capacity to work, [10-40]³⁹ hours a week.]³⁶

Maximum Capacity means, based on your restrictions and limitations, the greatest extent of work that you are able to do in your [Regular Occupation]³⁵[Regular Job]³⁵.

The “greatest extent of work” that you are able to do will be determined during the *Company*’s evaluation of your short term disability claim. During the evaluation period, the *Company* will interview you, your Employer, your Doctor, and any other medical professional that is involved in your treatment. The *Company* may also employ vocational rehabilitation specialists to assist in the evaluation process. After your medical information and your vocational rehabilitation information, if any, is analyzed, the *Company* will then determine the “greatest extent of work” that you are able to do in your [Regular Job]³⁵[Regular Occupation]³⁵.^{34, 35}

Maximum Capacity means, based on your restrictions and limitations, [:

- during the first [6-60]³⁹ months of Disability,]³⁶ the greatest extent of work that you are able to do in your [Regular Occupation]³⁵[Regular Job]³⁵, and
- beyond [6-60]³⁹ months of Disability, the greatest extent of work that you are able to do in any occupation for which you are reasonably fitted by education, training or experience.]³⁶

The “greatest extent of work” that you are able to do will be determined during the *Company*’s evaluation of your long term disability claim. During the evaluation period, the *Company* will interview you, your Employer, your Doctor, and any other medical professional that is involved in your treatment. The *Company* may also employ vocational rehabilitation specialists to assist in the evaluation process. After your medical information and your vocational rehabilitation information, if any, is analyzed, the *Company* will then determine the “greatest extent of work” that you are able to do in your [Regular Job]³⁵[Regular Occupation]³⁵ or in any Gainful Occupation.^{34, 35}

Maximum Period of Payment means the longest period of time that the *Company* will make payments to you for any one period of Disability.

Maximum Period of Child Care Payment means the longest period of time the *Company* will make child care payments to you for any one period of Disability.³⁴

DEFINITIONS³⁴

Maximum Period of Rehabilitation Payment means the longest period of time the *Company* will make rehabilitation payments to you for any one period of Disability.³⁴

Medical Expenses means the reasonable costs that you incur for medical treatment, physical therapy, and adaptive equipment, to the extent not otherwise provided, for your vocational rehabilitation.

The *Company* will pay only those costs that are not otherwise covered by health care insurance, workers' compensation, or any public fund or program.³⁴

Mental Illness means a psychiatric or psychological condition, regardless of cause, such as schizophrenia, depression, manic depressive or bipolar illness, anxiety, personality disorders and/or adjustment disorders or other conditions. These conditions are usually treated by a mental health provider, or other qualified provider, using psychotherapy, psychotropic drugs, or other similar methods of treatment as Generally Accepted in the Practice of Medicine.

Mental Illness does not include dementia, organic brain syndromes, delirium, amnesia syndromes or organic delusional or hallucinogenic syndromes.³⁴

Military means the armed land, sea or air force of a nation.

Monthly³⁸ **[Weekly]**³⁸ **Benefit** means the total benefit amount for which you are insured under the group policy subject to the maximum benefit.

[Monthly Earnings]⁴² means your monthly compensation from your Employer.

[Earnings Definition for All Employees]⁴²

[Earnings Definition [for Business Owners, Partners or Sole Proprietors]]^{36,42}

[Earnings Definition for [All Other]]³⁶ **Employees [excluding hourly]**^{36,42}

[Earnings Definition for Hourly Employees]⁴²

[If you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder, Monthly Earnings include:

- **[your average monthly compensation from your Employer during the Employer's prior [two]]**³⁶ **tax year[s]**^{36,42}
- **[the average monthly compensation received by your professional corporation from the Employer during the Employer's prior [two]]**³⁶ **tax year[s]**³⁶. The *Company* will calculate Monthly Earnings by adding the following items as reported on the applicable Schedule K-1, Schedule C, Form W-2 Medicare wages and tips, or S-Corporation federal income tax return and divide the total by **[12, 24]**⁴¹, or by the number of months that you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder if less than **[12 months, 24 months]**⁴¹:
 - your ordinary income from trade or business activities;
 - your guaranteed payments if you were a Partner;
 - your net profit from the business;
 - your compensation (as an officer), salary or wages, if you were a S-Corporation Shareholder^{42,42}

[Monthly Earnings include:]⁴²

- **[your [average]]**³⁶ **monthly rate of compensation from your Employer including:]**⁴²
 - **[average]**³⁶ **monthly salary]**³⁶ **[(but not for more than [15-40]]**³⁹ **hours a week)]**⁴²
 - **[regular hourly wages]**³⁶ **[(but not for more than [15-40]]**³⁹ **hours a week)]**⁴²
 - **[commissions averaged over the preceding [12-36]]**³⁹ **months or the period of your employment if less than [12-36]]**³⁹ **months]**⁴²

DEFINITIONS³⁴

- [bonuses averaged over the preceding [6-36]³⁹ months or the period of your employment if less than [6-36]³⁹ months]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Gross taxable income as reported on your W-2 as Medicare wages and tips for the full tax year immediately prior to the last day you were Actively at Work before your Disability. [If you cannot meet this requirement, your W-2 earnings will be averaged for the [period of Full time Active Work for your Employer.]³⁶ [prior year, if less than 12 months.]³⁶]⁴²]⁴²
- [Income you earn as a private contractor on IRS form 1099 earnings]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement]³⁶]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]⁴²

[If you are paid an annual contract salary, your Monthly Earnings will be based on your annual contract salary divided by 12, regardless of the number of months you receive a check.]⁴²

[If you are an hourly employee, your Monthly Earnings will be based on the average number of hours worked per month [during the [2-24]³⁹ months immediately preceding the date of Disability.]⁴²]⁴²

[The *Company* will determine your Monthly Earnings based on the terms above for your monthly compensation in effect on your last full day of Active Work preceding your Disability.]⁴²

[If you become Disabled while you are on a covered layoff [, furlough]³⁶ or leave of absence, the *Company* will determine your Monthly Earnings based on the terms above for your monthly compensation in effect on your last full day of Active Work.]⁴²

[Monthly Earnings do not include:

- [Commissions]⁴²
- [Bonuses]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Your Employer's contributions on your behalf to any deferred compensation plan or Pension Plan]⁴²
- [Income you earn on IRS form 1099]⁴²
- [Stock options]⁴²
- [Dividends]⁴²
- [Capital Gains and Returns of Capital]⁴²]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement;]⁴²]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]^{42, 42}

DEFINITIONS³⁴

Monthly Payment means your payment after any [Direct]³⁶ [and]³⁶ [Indirect]³⁶ Deductible Sources of Income and Disability Earnings have been subtracted from your Gross Disability Payment.³⁴

Moving Expenses means the cost that you incur to move more than 35 miles so that you can attend school or accept Gainful Work.³⁴

Non-Occupational Sickness or Injury means an Injury or Sickness for which a person is not entitled to benefits from any worker's compensation law, occupational disease law or similar law. You will be considered to be entitled to benefits from a worker's compensation law, occupational disease law or similar law if you are eligible to enroll in such a plan but elect not to participate.³⁴

Occupational Sickness or Injury means an Injury arising out of, or in the course of, any work for wage or profit regardless of employer, or a Sickness covered, with respect to such work, by any worker's compensation law, occupational disease law or similar Law.³⁴

Open Enrollment Period means the [31-90]³⁹ day period before the [policy]³⁶ anniversary during which those persons who previously waived coverage may apply.³⁴

Outpatient means a patient who does not reside in a Hospital or Institution in which he or she has received treatment.³⁴

Paramilitary means an organized, armed force on a Military pattern.

Participation will include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but does not include:

- actions taken in defense of public or private property, or
- actions taken in defense of the person of the insured, if such actions of defense are not taken against persons seeking to maintain or restore law and order including, but not limited to, police officers and firefighters.

Part-Time Basis means the ability to work and earn between [20% and 80%]³⁹ of your [Indexed]³⁶ Monthly³⁸ [Weekly]³⁸ Earnings.

Pay Period means a recurring length of time over which an employee's time is recorded and paid.³⁴

Pension Plan means a qualified defined contribution Pension Plan, profit sharing plan, or other plan approved by the *Company*, in which you are participating as a result of your employment with the Employer.³⁴

Prior Plan means a plan sponsored by the Employer in which you participated and which offered materially similar benefits to this plan.³⁴

DEFINITIONS³⁴

Recurrent Disability means a period of Disability that is:

- caused by a worsening in your condition, and
- due to the same cause(s) as your prior Disability, or due to a related cause, for which the *Company* made a long term disability payment.³⁴

Regular Care means:

- you personally visit a Doctor as frequently as medically required, according to Generally Accepted Medical Practice, to effectively manage and treat your disabling condition(s);
- you are receiving appropriate treatment and care of your disabling condition(s) which conforms with Generally Accepted Medical Practice by a Doctor whose specialty or experience is the most appropriate for your disabling condition(s), according to Generally Accepted Medical Practice; and
- you are receiving or actively seeking appropriate physical or psychological rehabilitative services.

Regular Job means the job that you were performing for your Employer on the day before Disability began.^{34,35}

Regular Occupation means the occupation that you are routinely performing when your Disability begins. The *Company* will look at your occupation as it is normally performed in the local economy, instead of how the work tasks are performed for a specific employer or at a specific location.^{34, 35}

Rehabilitative Employment means employment that is part of a Rehabilitation Program. Any program of Rehabilitative Employment must be approved, in writing, by the *Company*.³⁴

Rehabilitation Program means a program designed to assist you to return to work.³⁴

Retirement Plan means a defined benefit or defined contribution plan that provides benefits for your retirement and which is not funded wholly by your contributions. It does not include a profit sharing plan; thrift, savings or stock ownership plans; a non-qualified deferred compensation plan; or an individual retirement account (IRA), a tax sheltered annuity (TSA), Keogh Plan, 401(K) Plan, or 403(b) plan.

Riot includes all forms of public violence, disorder, or disturbance of the public peace, by 3 or more persons assembled together, whether or not acting with a common intent and whether or not damage to persons or property or unlawful act or acts is the intent or consequence of such disorder.

Salary Continuation or Accumulated Sick Leave means continued payments to you by your Employer of all or part of your [Weekly]³⁸ [Monthly]³⁸ Earnings, after you become Disabled. This continued payment must be part of an established formal or informal plan maintained by your Employer for the benefit of all employees insured under the group policy. Salary Continuation or Accumulated Sick Leave does not include compensation paid to you by your Employer for work you actually perform after your Disability begins. Such compensation is considered Disability Earnings, and would be taken into account in calculating your [Weekly]³⁸ [Monthly]³⁸ Payment.³⁴

Self-Reported Symptoms means manifestations of your conditions that you tell your Doctor that are not verifiable using tests, procedures or clinical examinations Generally Accepted in the Practice of Medicine. Examples of Self-Reported Symptoms include, but are not limited to: headache; pain; fatigue; stiffness; soreness; ringing in the ears; dizziness; numbness, and loss of energy.³⁴

DEFINITIONS³⁴

Sickness means illness, disease[, pregnancy, including abortion or childbirth,]³⁶ or Complications of Pregnancy.

Special Conditions means any one of the following conditions:

- musculoskeletal and connective tissue disorders of the neck, back and shoulders including any disease or disorder of the cervical, thoracic and lumbosacral spine and its surrounding soft tissue, including herniated or ruptured discs (not requiring any surgery) as well as sprains and strains of joints and adjacent muscles, **except:**
 - arthritis
 - scoliosis
 - spinal fractures
 - osteopathies
 - spinal tumors, malignancy, or vascular malformations
 - radiculopathies, documented by electromyogram
 - spondylolisthesis, grade II or higher
 - myelopathies and myelitis
 - demyelinating diseases, or
 - traumatic spinal cord necrosis
- carpal tunnel syndrome (not requiring surgery)
- chronic fatigue syndrome (not requiring surgery)
- environmental allergic illness including, but not limited to, sick building syndrome and multiple chemical sensitivity
- fibromyalgia
- myofascial pain syndrome
- herniated or ruptured discs (not requiring surgery).³⁴

Spouse means a person of the same or opposite sex who is legally married to you under the laws of the state or jurisdiction in which the marriage took place.

[Whenever the term Spouse appears in the group policy, ~~references to Spouse this provision will~~ includes the definition of [Domestic Partner]^{36b} [or Civil Union Partner]^{36a} into the group policy.]^{36a, 36b}

Stand-By Help means you must have hands-on (active) help from another person with all or most of the Activities of Daily Living.³⁴

Terrorist Act means any violent act that is intended to cause Injury, damage or fear and that is committed by, or purportedly committed by, one or more individuals or one or more members of an organized group in order to:

- make a statement of the individual's or group's political, religious, or social beliefs, concepts or attitudes; and/or
- intimidate a population or government into granting the individual's or group's demands.³⁴

Waiting Period means the length of time that must pass from the initial date of eligibility until the insurance effective date.³⁴

War or Insurrection means an armed conflict between the Military or Paramilitary forces of 2 or more political entities.

DEFINITIONS³⁴

Weekly Earnings⁴² means your weekly compensation from your Employer.

[Earnings Definition for All Employees]⁴²

[Earnings Definition [for Business Owners, Partners or Sole Proprietors]³⁶]⁴²

[Earnings Definition for [All Other]³⁶ Employees [excluding hourly]³⁶]⁴²

[Earnings Definition for Hourly Employees]⁴²

[If you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder, Weekly Earnings include:

- [your average weekly compensation from your Employer during the Employer's prior [two]³⁶ tax year [s]³⁶]⁴²;
- [the average weekly compensation received by your professional corporation from the Employer during the Employer's prior [two]³⁶ tax year[s]³⁶. The *Company* will calculate Weekly Earnings by adding the following items as reported on the applicable Schedule K-1, Schedule C, Form W-2, Medicare wages and tips, or S-Corporation federal income tax return and divide the total by [52,104]⁴¹, or by the number of weeks that you were a Partner, Professional Corporation (P.C.) Partner, Owner-employee, Sole Proprietor and/or S-Corporation Shareholder if less than [52 weeks, 104 weeks]⁴¹:
 - your ordinary income from trade or business activities;
 - your guaranteed payments if you were a Partner;
 - your net profit from the business;
 - your compensation (as an officer), salary or wages, if you were a S-Corporation Shareholder]⁴²]⁴²

[Weekly Earnings include:]⁴²

- [your [average]³⁶ weekly rate of compensation from your Employer including:]⁴²
 - [[average]³⁶ weekly salary]³⁶ [(but not for more than [15-40]³⁹ hours a week)]⁴²
 - [regular hourly wages]³⁶ [(but not for more than [15-40]³⁹ hours a week)]⁴²
 - [commissions averaged over the preceding [12-36]³⁹ months or the period of your employment if less than [12-36]³⁹ months]
 - [bonuses averaged over the preceding [6-36]³⁹ months or the period of your employment if less than [6-36]³⁹ months]⁴²
 - [Overtime pay]⁴²
 - [Extra Compensation]⁴²
 - [Shift Differential Pay]⁴²
 - [Tips or tokens]⁴²
 - [Gross taxable income as reported on your W-2 as Medicare wages and tips for the full tax year immediately prior to the last day you were Actively at Work before your Disability. [If you cannot meet this requirement, your W-2 earnings will be averaged for the [period of Full time Active Work for your Employer.]³⁶ [prior year, if less than 52 weeks.]³⁶]⁴²]⁴²
 - [Income you earn as a private contractor on IRS form 1099 earnings]⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴²
 - [an executive nonqualified deferral compensation arrangement]⁴²]⁴²
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]⁴²

DEFINITIONS³⁴

[If you are paid an annual contract salary, your Weekly Earnings will be based on your annual contract salary divided by 52, regardless of the number of weeks you receive a check.]⁴²

[If you are an hourly employee, your Weekly Earnings will be based on the average number of hours worked per the [2-26]³⁹ Pay Period(s) immediately preceding the date of Disability.]⁴²⁴²

[The *Company* will determine your Weekly Earnings based on the terms above for your weekly compensation in effect on your last full day of Active Work preceding your Disability.]⁴²

[If you become Disabled while you are on a covered layoff[, furlough]³⁶ or leave of absence, the *Company* will determine your Weekly Earnings based on the terms above for your weekly compensation in effect on your last full day of Active Work.]⁴²⁴²

[Weekly Earnings do not include:

- [Commissions]⁴²
- [Bonuses]⁴²
- [Overtime pay]⁴²
- [Extra Compensation]⁴²
- [Shift Differential Pay]⁴²
- [Tips or tokens]⁴²
- [Your Employer's contributions on your behalf to any deferred compensation plan or Pension Plan]⁴¹
- [Income you earn on IRS form 1099]⁴²
- [Stock options]⁴²
- [Dividends]⁴²
- [Capital Gains and Returns of Capital]⁴²⁴²
- [contributions you make through a salary reduction agreement with the Employer to:
 - [an Internal Revenue Code (IRC) 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement;]⁴¹
 - [an executive nonqualified deferral compensation arrangement]⁴²]
- [amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC section 125 plan.]^{42, 42}

Weekly Payment means your payment after any Deductible Sources of Income and Disability Earnings have been subtracted from your Gross Disability Payment.³⁴

401(K) Plan means a plan that provides retirement benefits and which is not wholly funded by employee contributions. The term shall not include a profit sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan or a non-qualified plan of deferred compensation.

[EMPLOYEE]⁴ ELIGIBILITY⁴³

[ELIGIBLE CLASSES [OF EMPLOYEES]]⁴³

[All [Full-Time]]⁴³ employees of the Employer, as shown in the Schedule, but not those who are:

- [United States citizen living and working abroad [for more than [1-24]]³⁹ months]]⁴³⁴³
- [Non-United States Citizen living and working in the United States]]⁴³
- [Non-United States Citizen living and working in a country other than the country of their citizenship]]⁴³
- [temporary]]³⁶, [part-time]]³⁶ [or seasonal]]³⁶⁴³

[WAITING PERIOD]⁴⁴

Before becoming eligible for coverage under the group policy, a Waiting Period must be satisfied by each employee in an Eligible Class as shown in the Schedule.]⁴⁴

[DATE [EMPLOYEES]]⁴ ARE ELIGIBLE FOR INSURANCE⁴⁵

Each employee in an eligible class on [MONTH DD, YR]]⁴⁵ will be eligible for insurance on that date.

Each employee who enters an eligible class after [MONTH DD, YR]]⁴⁵ will be eligible for insurance on the first day of the month coinciding with or next following the date he or she enters such class.]⁴⁵

[Rehired employees]

The Employer may choose to have insurance for former employees take effect on the date they re-enter an eligible class. This choice may apply to all or some classes of employees. Such former employees must be rehired within [6-18]]³⁹ months after their insurance ended. The Employer must notify the *Company* of this choice in writing. If this choice is made, it will apply to all rehired employees in the same class. If it is not made, rehired employees must complete the Waiting Period(s) shown [above.]⁴¹ [in the schedule.]⁴¹

[DATE [EMPLOYEES]]⁴ INSURANCE TAKES EFFECT

Each employee in an eligible class will be insured [as follows, **except as stated below:**

If you do not pay for the cost of the insurance

Your insurance will take effect on the date you are eligible.

[EMPLOYEE]⁴ ELIGIBILITY

If you pay part or all of the cost of the insurance

You must request such insurance in writing. This request must permit the Employer to deduct premiums from your pay.

The date you are to be insured depends on the date the Employer receives the request.

If it is received:

- on or before the date you are eligible, you will be insured on the date you are eligible
- within 31 days after the date you are eligible, you will be insured on the date it is received
- more than 31 days after the date you are eligible, the *Company* will determine the day your insurance begins.⁴⁶

[If the request for coverage is not made within 31 days after the date that you are eligible, you may only apply for coverage during the Open Enrollment Period or within 31 days of a Change In Family Status. The date that you are insured will be the first of the month following the Open Enrollment Period or Change In Family Status.]⁴⁶

[Exception: Evidence of Insurability Requirement

Evidence of Insurability is required if you:

- [are a late applicant, which means that you request insurance more than 31 days after the date you are eligible;]⁴⁶
- voluntarily canceled your insurance and are reapplying;
- apply after any of your coverage ended because you did not pay a required contribution; or
- have not met a previous evidence requirement to become insured under any plan your Employer has with the *Company*.

If you are approved, you will be insured on the date stated in writing by the *Company*.⁴⁶⁴⁷

ACTIVELY AT WORK REQUIREMENT⁴⁸

[You must be Actively at Work in an eligible class on the date your insurance is to take effect. If you are not, such insurance will take effect on the day you resume such work.]⁴⁹

[You must be Actively at Work in an eligible class for the 5 consecutive days immediately prior to the date your insurance is to take effect. Otherwise, your insurance will take effect on the date immediately following a period of 5 consecutive days of Full-Time work, provided you are Actively at Work on that date.]⁵⁰

The date insurance is to take effect might not be a scheduled workday. If so, you will be considered Actively at Work on such date if you were Actively at Work [on your last scheduled workday]⁴⁹[for the 5 consecutive workdays immediately prior to this date]⁵⁰. You are considered Actively at Work:

- during your normal vacation time provided by your Employer;
- during jury duty;
- on any holiday, or day of the weekend; and
- on any day of an excused leave approved by your Employer.⁴⁸

[EMPLOYEE]⁴ ELIGIBILITY

DATE [EMPLOYEES']⁴ INSURANCE ENDS⁵¹

Your insurance will end [at the end of the month following]⁵² [at]⁵² the earliest of:

1. the date the group policy ends;
2. the date you are not in an eligible class;
3. the date insurance ends for your class;
4. the end of the period for which the last premium has been paid for you; [or]

[5. the date your Employer ceases to be a Participating Employer;]⁵³

[6.][the [date]⁵² employment ends; except as stated in the **CONTINUATION OF INSURANCE WITH PREMIUM PAYMENT** provision, ceasing Full-Time work in an eligible class will be considered the end of employment.]⁵³

Upon notice of impending cancellation from the *Company*, the [Policyholder]⁵[Participating Employer]⁵ must notify you, in writing, not less than 5 days prior to the cancellation. Written notice of such cancellation must be presented to you or mailed to your last known address recorded in the appropriate records of the [Policyholder]⁵[Participating Employer]⁵.

SUSPENSION OF INSURANCE DURING MILITARY SERVICE⁵⁴

The *Company* will suspend your insurance on the date you go on active duty in the Military service of any country or international authority. Such duty will not include temporary active duty by reservists for Military training that lasts 90 days or less. The *Company* will refund that part of any premium paid for the period of such suspension.

You can place your insurance back in force without Evidence of Insurability or earned income as of the date of your discharge. To do so, you must apply in writing and pay the premium, both within 90 days after active duty ends.

The *Company* will base your premium on your age and class of risk when your insurance was suspended. If you were Disabled on or before the date of discharge, you must have recovered for at least 6 months before the *Company* will cover a later Disability from the same cause.⁵⁴

CONTINUATION OF INSURANCE WITH PREMIUM PAYMENT

[By The Employer

The Employer will continue your insurance by paying premiums for you:

- during your Elimination Period;
- during the period Full-Time work stops, up to [31-180]³⁹ days, for [covered layoff]⁵⁴ [, part-time work]⁵⁴ [, leave of absence]⁵⁴ [, sabbatical]⁵⁴ [, furlough]⁵⁴ [(other than a family or medical leave of absence described below)]⁵⁶ [or strike]⁵⁴ [, or
- to the end of the period below, whichever is longer, that the Employer is required to allow for a family or medical leave of absence under:
 - the Federal Family and Medical Leave Act (FMLA), or
 - any similar state Law.⁵⁶

At the end of the continuation period above, employment will be considered to end and insurance will end. Insurance will not end if, at this time, you resume Full-Time work in an eligible class.

Contact your Employer right away for details on continuation of your insurance.⁵⁵

[EMPLOYEE]⁴ ELIGIBILITY

The Family and Medical Leave Act

If you are eligible for and your Employer approves a leave of absence under the Federal Family and Medical Leave Act of 1993 (FMLA), your insurance will continue for a period of up to [12]⁵⁶ weeks following the date the leave begins (up to [26]⁵⁶ weeks if the leave is to care for a covered service member due to their serious Injury or illness) provided the Employer pays the required premiums in accordance with the provisions of the group policy. The *Company* may require written confirmation of the FMLA approval from your Employer.

You are eligible for leave under this Act in order to provide care:

- after the birth of a child
- after the legal adoption of a child
- after the placement of a foster child in your home
- to a spouse, child or parent due to their serious illness, or
- for your own serious health condition.

In addition, if your spouse, child or parent is on covered active duty or call to covered active duty status, you are eligible for leave to address certain qualifying exigencies.

If you do not continue your insurance during your FMLA leave, upon your return to active employment:

- no new Waiting Period will be applied
- no new pre-existing conditions exclusions or limitations will be applied, and
- no Evidence of Insurability will be required

to reinstate the insurance in effect before the leave began.⁵⁶

SHORT TERM DISABILITY BENEFITS

If, while insured, you become Disabled due to a [Non-Occupational]⁵⁷ Sickness or Injury and continue to be Disabled past the Elimination Period, the *Company* will pay to you the benefits described below.

The Elimination Period is shown in the Schedule of Benefits.

WEEKLY PAYMENTS

You will begin to receive Weekly Payments when the *Company* approves your claim, providing the Elimination Period has been satisfied. While you are receiving such payments, you must be under the Regular Care of your Doctor.

Payments for part of a week

After the Elimination Period, if you are Disabled for less than 1 week, the *Company* will send you [1/7th]⁵⁸ [1/5th]⁵⁸ of your payment for each day of Disability.

IF YOU ARE DISABLED AND NOT WORKING

The *Company* will calculate your Weekly Payment as follows:

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your Deductible Sources of Income from your Gross Disability Payment. This is your Weekly Payment.

IF YOU ARE DISABLED AND WORKING⁶⁰

The *Company* will send you the Weekly Payment as calculated above if you are Disabled and your weekly Disability Earnings are less than [20-100%]⁵⁹ of your Weekly Earnings.

Your loss of earnings must be a result of, or due to, the same Sickness or Injury for which you are Disabled.

The *Company* will send you a Weekly Payment if you are Disabled and your weekly Disability Earnings are between 20% and [80%]⁵⁸[100%]⁵⁸ of your Weekly Earnings. The *Company* will calculate your payment as follows:

1. subtract your Disability Earnings from your Weekly Earnings.
2. divide the answer in 1 by your Weekly Earnings. This is your percentage of lost earnings.
3. calculate your Weekly Payment as if you were Disabled and not working.
4. multiply the percentage calculated in 2 by the amount calculated in 3. This is your Weekly Payment.⁶¹

The *Company* may require you to send proof of your [weekly]⁶² Disability Earnings on a [weekly]⁶² basis. The *Company* will adjust your payment based on your [weekly]⁶² Disability Earnings.

As part of your proof of Disability Earnings, the *Company* can require that you send the *Company* appropriate financial records that the *Company* believes are necessary to substantiate your income.⁶⁰

SHORT TERM DISABILITY BENEFITS

[IF YOUR DISABILITY EARNINGS FLUCTUATE

If your Disability Earnings exceed the percentage of Weekly Earnings, listed below, and routinely fluctuate from week to week, the *Company* will average your Disability Earnings over the next 3 weeks beginning with the week in which your Disability Earnings exceeded such percentage to determine if your claim should continue, subject to all other terms and conditions of coverage.

If the *Company* averages your Disability Earnings, the *Company* will terminate your claim if the average of your Disability Earnings for a 3 week period exceeds [50-80%]⁵⁹ of Weekly Earnings.

The *Company* will **not** pay you for any week during which Disability Earnings exceed [50-80%]⁵⁹ of Weekly Earnings.⁶³

DURATION OF BENEFITS

Weekly Benefits will be paid up to the Maximum Period of Payment shown in the Schedule of Benefits. The *Company* will stop sending you payments, and your claim will end at the earliest of:

1. the end of the Maximum Period of Payment;
2. the date you are no longer Disabled;
- [3. the date the 3 week average of your Disability Earnings exceeds [50-80%]⁵⁹ of Weekly Earnings.]⁶³
- [4.] the date you fail to give proof of continuing Disability;
- [[5.] the date you decline to participate in or cooperate in a rehabilitation evaluation/assessment or program that the *Company* considers appropriate for your Disability and that has been approved by your Doctor;]⁶³
- [6.] the date you cease to be under the Regular Care of a Doctor, or you refuse to be examined or interviewed, if the *Company* requires such an examination or interview;
- [7.] the date you refuse to receive recommended treatment that is Generally Accepted in the Practice of Medicine by Doctors to cure, correct or limit your Disability;
- [8.] the date you die; or
- [9.] when you are able to return to work in your [Regular Job]⁵⁸[Regular Occupation]⁵⁸ on a Part-Time Basis but choose not to.

If the group policy ends, this will not act to end the Maximum Period of Payment.

SHORT TERM DISABILITY BENEFITS

RECURRING DISABILITY

The *Company* will treat your current Disability as part of your prior claim, and you will not have to complete another Elimination Period if:

1. you fully performed any occupation for your Employer on a [Full-Time]⁶¹ basis for less than [14-90]⁵⁹ consecutive days and your current Disability is related to or due to the same cause(s) as your prior Disability for which the *Company* made a payment; or
2. you fully performed any occupation for your Employer on a [Full-Time]⁶¹ basis for less than one full day and your current Disability is unrelated to your prior Disability for which the *Company* made a payment.

Your Disability, as outlined above, will be subject to the same terms of the group policy as your prior claim.

If you do not satisfy item 1 or 2 above, your Disability will be treated as a new claim and will be subject to all the group policy provisions.

If you become eligible for payments under any other group short term disability policy, you will not be eligible for payments under the group policy.

[DEDUCTIBLE SOURCES OF INCOME]⁶⁴

The Company will subtract from your Gross Disability Payment the following Deductible Sources of Income:

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker's compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁶⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁶⁴
- [b. individual disability income plans;]⁶⁴
- [c. other group insurance plans;]⁶⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁶⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁶⁴⁶⁴

[3. The amount that you[, your Spouse, and your Children under 18]⁶³ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁶⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁶³

SHORT TERM DISABILITY BENEFITS

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁶³ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar plan or Act.]⁶⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁶⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁶⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁶⁴

[8. The amount that you receive from any unemployment compensation Law.]⁶⁴

[9. The amount that you receive under the mandatory portion of any "no-fault" motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁶⁴

[10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁶⁴

SHORT TERM DISABILITY BENEFITS

[11. The amount that you receive from any franchise disability income plans.]⁶⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁶⁴

RULES FOR DEDUCTIBLE INCOME

Estimating benefits

When the *Company* determines that you may qualify for benefits listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, the *Company* will estimate your entitlement to these benefits. The *Company* can reduce your payment by the estimated amounts if such benefits:

- have not been awarded, and have not been denied; or
- have been denied, and the denial is being appealed.

The *Company* will **not** reduce your payment by the estimated amount if you:

- apply for disability payments listed in the **DEDUCTIBLE SOURCES OF INCOME** provision;
- appeal any denial to all administrative levels the *Company* feels are necessary; and
- sign the *Company's* payment option form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when the *Company* receives proof:

- of the amount awarded; or
- that benefits have been denied and all appeals the *Company* feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

Lump sum payments

If you receive a lump sum payment from any Deductible Source Of Income, the lump sum will be pro-rated on a weekly basis over the time period for which the sum applies. If no period is stated, the sum will be pro-rated on a weekly basis to the end of the Maximum Period of Payment.

SHORT TERM DISABILITY BENEFITS

RULES FOR DEDUCTIBLE INCOME

Cost of living increases

Other than for increases in any income you earn from any form of employment, once the *Company* has determined any source of income to be Deductible Source of Income and determines the amount to be deducted from your Gross Disability Payment, the *Company* will not further reduce your payment due to a cost of living increase from that source.

[NON-DEDUCTIBLE SOURCES OF INCOME]⁶⁴

The *Company* will not subtract from your Gross Disability Payment income you receive from, but not limited to, the following:

- 401(K) Plans
- profit sharing plans
- thrift plans
- tax sheltered annuities
- stock ownership plans
- credit disability insurance
- non-qualified plans of deferred compensation
- pension plans for Partners
- military pension and disability income plans
- a Retirement Plan from another employer
- individual retirement accounts (IRA)
- [franchise disability income plans]⁶⁴
- [individual disability income plans]⁶⁴
- [a workers' compensation law; an occupational disease law, or any other Act or Law with similar intent]⁶⁴
- [a state compulsory benefit Act or Law]⁶⁴
- [other group insurance plans]⁶⁴
- [governmental retirement system as a result of your job with your Employer]⁶⁴
- [automobile liability insurance policy]⁶⁴
- [loss of time disability payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁶⁴
- [retirement payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁶⁴
- [your Employer's Retirement Plan]⁶⁴
- [any action brought under Title 46, United States Code Section 688 (The Jones Act)]⁶⁴
- [a third party (after subtracting attorney's fees) by judgment, settlement or otherwise]⁶⁴
- [any unemployment compensation Law]⁶⁴
- [the mandatory portion of any "no fault" motor vehicle plan]⁶⁴
- [any Salary Continuation or Accumulated Sick Leave plans]⁶⁴

[If Salary Continuation or Accumulated Sick Leave plan payments plus the Gross Disability Payment and Disability Earnings exceed 100% of your Weekly Earnings, the *Company* will subtract the amount in excess of 100% from your benefit.]⁶³⁶⁴

SHORT TERM DISABILITY BENEFITS

REHABILITATIVE EMPLOYMENT⁶⁵

[The Company has a Rehabilitation Program available.

As your file is reviewed, medical and vocational information will be analyzed to determine if rehabilitation services might help you return to work.

Once the initial review is completed by our Rehabilitation Program specialists working along with your Doctor and other appropriate specialists, the *Company* may elect to offer you and pay for a Rehabilitation Program. If the Rehabilitation Program is not developed by the *Company's* rehabilitation specialists, you must receive written approval from the *Company* for the program before it begins.]⁶³

[Weekly Payments

If you are:

- Disabled and receiving a Weekly Payment from the *Company*, and
- participating in a an approved program of Rehabilitative Employment

[your Weekly Payment will be reduced by [20-70%]⁵⁹ of the income received from each week of Rehabilitative Employment.]⁶³

the sum of your Weekly Payment and your total income received under Rehabilitative Employment cannot exceed 100% of your Weekly Earnings. If it does the *Company* will subtract the amount in excess of 100% from your benefit.]⁶³

[Child care expense payments

The *Company* will send you a payment for Child Care Expenses each week while you are Disabled and receiving a Weekly Payment from the *Company*.

The weekly child care payment is equal to the amount of your Child Care Expenses up to the maximum weekly child care amount.

Your maximum weekly child care amount is equal to [\$60-120]⁵⁹ times the number of eligible Children.]⁶³, ⁶⁵

SHORT TERM DISABILITY BENEFITS

PRE-EXISTING CONDITIONS

Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor]⁶³⁶³

within [0-30]⁵⁹ months just before your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy [or the effective date of an increase due to a policy amendment]⁶³.

If your Disability is due to, caused by, or contributed to by, a pre-existing condition and it begins in the first [0-30]⁵⁹ months after your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy, [or the effective date of an increase due to a policy amendment]⁶³, no benefits will be paid **[unless you have not:**

- received medical treatment, consultation, care, or services, including diagnostic measures, or
- taken prescribed drugs or medicines

for such pre-existing condition, or any complication of it, for [0-30]⁵⁹ continuous months after your effective date of coverage [or your effective date of any individually elected increase]⁶³ under the group policy [or the effective date of an increase due to a policy amendment.]⁶³⁶³ ⁶⁵,

SHORT TERM DISABILITY BENEFITS

CONTINUITY OF COVERAGE UPON TRANSFER OF CARRIERS⁶⁶

Continuity of coverage is provided as follows for employees whose coverage and/or eligibility are affected by the cancellation of the Employer's Prior Plan and replacement with the *Company's* [group policy]⁶⁶.

Employees Actively At Work

If you were insured under the Prior Plan on the day the Employer changed insurers, you will be covered by the benefits provided under the [group policy]⁶⁶ if you are:

1. eligible for coverage under the [group policy]⁶⁶ in accordance with its **ELIGIBLE CLASSES** provision, and
2. Actively at Work on the effective date of the [group policy]⁶⁶.

Employees not Actively At Work

If you are not Actively at Work, due to Injury or Sickness, on the effective date of the [group policy]⁶⁶, you will be covered for benefits provided you:

1. were validly insured under the Employer's Prior Plan on the date of transfer; and
2. are a member of the **ELIGIBLE CLASSES** under the [group policy]⁶⁶.

The benefits provided will be the benefits provided by the Prior Plan less any benefits paid or payable under the Prior Plan.

Coverage will be provided until the earliest of:

1. the date you become eligible and insured under the [group policy]⁶⁶ as described in the **Actively At Work** provision above;
2. the date your coverage ends in accordance with the termination provisions of the [group policy]⁶⁶; or
3. the date that is the end of any benefit extension as provided under the Prior Plan.

Pre-existing conditions

If a pre-existing condition exclusion is included in the [group policy]⁶⁶, benefits may be payable for a Disability due to a pre-existing condition if you:

1. were Actively at Work on the date of transfer; and
2. insured under the [group policy]⁶⁶ on its effective date.

The benefits payable will be the lesser of:

1. the full benefit payable under the [group policy]⁶⁶; or
2. the benefit under the Prior Plan.

Any time applied towards satisfying the Elimination or Waiting Periods of the same or similar provisions under the Prior Plan will be credited towards the [group policy]⁶⁶.⁶⁶

WAIVER OF PREMIUM

No premium is due for you while you are receiving Weekly Benefits. When you stop receiving Weekly Benefits, premiums must again be paid when due.

SHORT TERM DISABILITY BENEFITS

[EXCLUSIONS⁶⁷

The group policy does not cover any Disability caused by, contributed to by, or resulting from, your:

- loss of professional license, occupational license or certification
- intentionally self-inflicted injuries while sane or insane
- active Participation in a Riot
- attempting to commit a crime, or commission of a crime for which you have been convicted under federal or state law
- [Occupational Sickness or Injury. However, Disability due to Occupational Sickness or Injury for Partners, Professional Corporation (P.C.) Partners, owners-employees, or Sole-Proprietors and/or S-Corporation Shareholders that cannot be covered by Worker's Compensation law, occupational disease law or similar law will be covered.]⁶⁷

The group policy will not cover a Disability due to Insurrection, War, declared or undeclared, or any act of War [or Terrorist Act]⁶⁷.

The *Company* will not pay a benefit for any period of Disability during which you are incarcerated as a result of a conviction.]⁶⁷

LONG TERM DISABILITY BENEFITS

If, while insured, you become Disabled and continue to be Disabled past the Elimination Period, the *Company* will pay to you the benefits described below.

The Elimination Period is shown in the Schedule of Benefits.

MONTHLY PAYMENTS

You will begin to receive Monthly Payments when the *Company* approves your claim, providing the Elimination Period has been satisfied. While you are receiving such payments, you must be under the Regular Care of your Doctor.

Payments for part of a month

After the Elimination Period, if you are Disabled for less than 1 month, the *Company* will send you 1/30th of your payment for each day of Disability.

IF YOU ARE DISABLED AND NOT WORKING

The *Company* will calculate your Monthly Payment as follows:

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income from your Gross Disability Payment. This is your Monthly Payment.

[IF YOU ARE DISABLED AND WORKING]⁶⁹

The *Company* will send you the Monthly Payment as calculated above if you are Disabled and your monthly Disability Earnings are less than [20-100%]⁷⁰ of your [Indexed]⁷¹ Monthly Earnings.

Your loss of earnings must be a result of, or due to, the same Sickness or Injury for which you are Disabled.]⁷¹

[The *Company* will send you a Monthly Payment if you are Disabled and your monthly Disability Earnings are between 20% and [80%]⁶⁸[100%]⁶⁸ of your [Indexed]⁷¹ Monthly Earnings. The *Company* will calculate your payment as follows:]⁷¹

(WORK INCENTIVE BENEFIT)⁷²

[for the first [0-unlimited]⁷⁰ months following the end of the elimination period:]⁷¹

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. from 100% of your [Indexed]⁷¹ Monthly Earnings, subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income and Disability Earnings.
3. Compare the results from 1 and 2. The lesser amount is your Monthly Benefit payment.]⁷¹

[after [0-unlimited]⁷⁰ months following the end of the elimination period:]⁷¹

LONG TERM DISABILITY BENEFITS

(PARTIAL DISABILITY BENEFIT: DOLLAR FOR DOLLAR)⁷²

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. subtract your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income and your monthly Disability Earnings from your Gross Disability Payment. This is your Monthly Benefit payment.⁷¹

(PARTIAL DISABILITY BENEFIT: PROPORTIONATE LOSS)⁷²

1. subtract your monthly Disability Earnings and your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income from your [Indexed]⁷¹ Monthly Earnings;
2. divide the answer in 1 by your [Indexed]⁷¹ Monthly Earnings. This is your percentage of lost earnings.
3. calculate your Monthly Payment as if you were Disabled and not working.
4. multiply the percentage calculated in 2 by the amount calculated in 3. This is your Monthly Benefit payment.⁷¹

(PARTIAL DISABILITY BENEFIT: 50% OFFSET)⁷²

1. calculate your Gross Disability Payment from the Schedule of Benefits;
2. multiply your Disability Earnings by 50%;
3. add the number in 2 to your total [Direct]⁶⁸[Indirect]⁶⁸[Direct and Indirect]⁶⁸ Deductible Sources of Income;
4. subtract the number in 3 from the number in 1. This is your Monthly Benefit payment.⁷¹

The *Company* may require you to send proof of your monthly Disability Earnings on a [quarterly]⁷³[monthly]⁷³ basis. The *Company* will adjust your payment based on your [quarterly]⁷³[monthly]⁷³ Disability Earnings.

As part of your proof of Disability Earnings, the *Company* can require that you send the *Company* appropriate financial records that the *Company* believes are necessary to substantiate your income.

[IF YOUR DISABILITY EARNINGS FLUCTUATE⁷¹

If your Disability Earnings exceed the percentage of [Indexed]⁷¹ Monthly Earnings, listed below, and routinely fluctuate from month to month, the *Company* will average your Disability Earnings over the next 3 months beginning with the month in which your Disability Earnings exceeded such percentage to determine if your claim should continue, subject to all other terms and conditions of coverage.

If the *Company* averages your Disability Earnings, the *Company* will terminate your claim **if**:

- during the first [6-60]⁷⁰ months of disability payments, the average of your Disability Earnings for a 3 month period exceeds [60-100%]⁷⁰ of [Indexed]⁷¹ Monthly Earnings, or
- beyond [6-60]⁷⁰ months of disability payments, ⁷¹ the average of your Disability Earnings for a 3 month period exceeds [10-100%]⁷⁰ of [Indexed]⁷¹ Monthly Earnings [the Gross Disability Payment]⁷¹.

The *Company* will **not** pay you for any month during which Disability Earnings exceed the amount allowable under the group policy.⁷¹

LONG TERM DISABILITY BENEFITS

DURATION OF BENEFITS

Monthly Benefits will be paid up to the Maximum Period of Payment shown in the Schedule of Benefits. The *Company* will stop sending you payments, and your claim will end at the earliest of:

1. the end of the Maximum Period of Payment;
2. the date you are no longer Disabled;
- [3. the date the 3 month average of your Disability Earnings exceeds the amount allowable under the group policy;]⁷¹
- [4.] the date you fail to give proof of continuing Disability;
- [[5.] the date you decline to participate in or cooperate in a rehabilitation evaluation/assessment or program that the *Company* considers appropriate for your Disability and that has been approved by your Doctor;]⁷¹
- [6.] the date you cease to be under the Regular Care of a Doctor, or you refuse to be examined or interviewed, if the *Company* requires such an examination or interview;
- [7.] the date you refuse to receive recommended treatment that is Generally Accepted in the Practice of Medicine by Doctors to cure, correct or limit your Disability;
- [8.] the date you die;

(Limited own occupation)⁷²

- [9. during the first [6-60]⁷⁰ months of Disability, when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to;
10. after [6-60]⁷⁰ months of Disability, when you are able to work in [any Gainful Occupation]⁶⁸[your Regular Occupation]⁶⁸[your Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to.]⁷¹

(Unlimited own occupation)⁷²

- [9. when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to.]⁷¹

(Activities of daily living)⁷²

- [9. during the first [6-60]⁷⁰ months of Disability, when you are able to work in your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ on a Part-Time Basis, and you choose not to;
10. after [6-60 months]⁷⁰, you continuously perform 6 or more Activities of Daily Living that began after the effective date of your coverage without Stand-By Help.
11. the end of [0-60]⁷⁰ months from the date payments begin, if you are Disabled due to an Infectious and Contagious Disease.]⁷¹

If the group policy ends, this will not act to end the Maximum Period of Payment.

LONG TERM DISABILITY BENEFITS

RECURRENT DISABILITY

If you have returned to work and are no longer receiving Monthly Payments from the *Company*, and your return to work is followed by a Recurrent Disability that occurs within [0-12]⁷⁰ months of your return to work, the period of Disability prior to your return to work and the Recurrent Disability will be considered one period of Disability, provided the group policy remains in effect.

If you return to work and are no longer receiving Monthly Payments from the *Company* for [0-12]⁷⁰ months or more, any recurrence of a Disability will be treated as a new Disability. You must complete a new Elimination Period before Monthly Benefits are payable.

If you become eligible for payments under any other group long term disability policy, you will not be eligible for payments under the group policy.

The term "period of disability" as used in this provision means a continuous length of time during which you are Disabled under the group policy.

[DIRECT DEDUCTIBLE SOURCES OF INCOME]⁷⁴

When figuring your Monthly Benefit, the *Company* will consider Direct Deductible Sources of Income from the following list. The *Company* will calculate the total amount of Direct Deductible Sources of Income by adding all of the sources of income from the following list that you receive or are eligible to receive during a month while you are Disabled. This is your total amount of Direct Deductible Sources of Income.

The total amount to be considered in determining the Monthly Benefit cannot exceed the maximum Monthly Benefit amount.

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker's compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁷⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁷⁴
- [b. individual disability income plans;]⁷⁴
- [c. other group insurance plans;]⁷⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁷⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴⁷⁴

LONG TERM DISABILITY BENEFITS

[3. The amount that you [, your Spouse, and your Children under 18]⁷¹ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar plan or Act.]⁷⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁷¹

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁷¹ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁷⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁷⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁷⁴

[8. The amount that you receive from any unemployment compensation Law.]⁷⁴

LONG TERM DISABILITY BENEFITS

- [9. The amount that you receive under the mandatory portion of any “no-fault” motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴
- [10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁷⁴
- [11. The amount that you receive from any franchise disability income plans.]⁷⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁷⁴

[INDIRECT DEDUCTIBLE SOURCES OF INCOME]⁷⁴

When figuring your Monthly Benefit, the *Company* will consider Indirect Deductible Sources of Income from the following list that when added to your Gross Disability Payment, are in excess of [50-100%]⁷⁰ of your Monthly Earnings. The total amount to be considered in determining the Monthly Benefit cannot exceed the maximum Monthly Benefit amount. The *Company* will calculate the total amount of Indirect Deductible Sources of Income as follows:

- [1. add all of the sources of income from the following list that you receive or are eligible to receive during a month while you are Disabled;
2. add the amount in 1 to your Gross Disability Payment;
3. calculate [50-100%]⁷⁰ of your Monthly Earnings;
4. if the amount in 2 is greater than the amount in 3, subtract the amount in 3 from the amount in 2. This is your total amount of Indirect Deductible Sources of Income.
5. If the amount in 2 is less than, or equal to, the amount in 3, your total amount of Indirect Deductible Sources of Income is 0.]⁷¹

[1. The amount that you receive, or are entitled to receive, as loss of time benefits under:

- a. a worker’s compensation law;
- b. an occupational disease law; or
- c. any other Act or Law with similar intent.]⁷⁴

[2. The amount that you receive, or are entitled to receive, as loss of time disability income payments under any:

- [a state compulsory benefit Act or Law;]⁷⁴
- [b. individual disability income plans;]⁷⁴
- [c. other group insurance Plans;]⁷⁴
- [d. governmental retirement system as a result of your job with your Employer;]⁷⁴
- [e. automobile liability insurance policy. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴⁷⁴

LONG TERM DISABILITY BENEFITS

[3. The amount that you [, your Spouse, and your Children under 18]⁷¹ receive, or are entitled to receive, as loss of time disability payments because of your Disability under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[Amounts paid to your former Spouse or to your Children living with such Spouse will not be included.]⁷¹

[4. The amount that you receive as retirement payments [or the amount your Spouse and Children under 18 receive as retirement payments because you are receiving retirement payments]⁷¹ under:

- a. the United States Social Security Act;
- b. the Railroad Retirement Act;
- c. the Canada Pension Plan;
- d. the Quebec Pension Plan;
- e. any similar Plan or Act.]⁷⁴

[5. The amount that you:

- a. receive as disability payments under your Employer's Retirement Plan;
- b. voluntarily elect to receive as retirement payments under your Employer's Retirement Plan;
- c. receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits that are paid due to Disability and do not reduce the retirement benefit that would have been paid if the Disability had not occurred.

Retirement payments will be those benefits that are paid based on your Employer's contributions to the Retirement Plan. Disability benefits that reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, the *Company* will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. The *Company* will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue Code including any future amendments that affect the definition.]⁷⁴

[6. The amount that you receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).]⁷⁴

[7. The amount that you receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.]⁷⁴

[8. The amount that you receive from any unemployment compensation Law.]⁷⁴

[9. The amount that you receive under the mandatory portion of any "no-fault" motor vehicle plan. This does not apply if state law or regulation does not allow group disability benefits to be reduced by benefits from such coverage.]⁷⁴

LONG TERM DISABILITY BENEFITS

[10. The amount of loss of time benefits that you receive or are entitled to receive from any Salary Continuation or Accumulated Sick Leave plan.]⁷⁴

[11. The amount that you receive from any franchise disability income plans.]⁷⁴

With the exception of retirement payments, the *Company* will only subtract Deductible Sources of Income that are payable as a result of the same Disability.

The *Company* will not reduce your payment by your Social Security retirement income, if your Disability begins after age 65 and you were already receiving Social Security retirement payments.]⁷⁴

RULES FOR DEDUCTIBLE INCOME

Estimating benefits

When the *Company* determines that you may qualify for benefits listed in the **DEDUCTIBLE SOURCES OF INCOME** provision, the *Company* will estimate your entitlement to these benefits. The *Company* can reduce your payment by the estimated amounts if such benefits:

- have not been awarded, and have not been denied; or
- have been denied, and the denial is being appealed.

The *Company* will **not** reduce your payment by the estimated amount if you:

- apply for disability payments listed in the **DEDUCTIBLE SOURCES OF INCOME** provision;
- appeal any denial to all administrative levels the *Company* feels are necessary; and
- sign the *Company's* payment option form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when the *Company* receives proof:

- of the amount awarded; or
- that benefits have been denied and all appeals the *Company* feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

Lump sum payments

If you receive a lump sum payment from any Deductible Source of Income, the lump sum will be pro-rated on a monthly basis over the time period for which the sum applies. If no period is stated, the sum will be pro-rated on a monthly basis to the end of the Maximum Period of Payment.

Cost of living increases

Other than for increases in any income you earn from any form of employment, once the *Company* has determined any source of income to be [a Direct]⁷¹ [or]⁷¹ [an Indirect]⁷¹ Deductible Source of Income and determines the amount to be deducted from your Gross Disability Payment, the *Company* will not further reduce your payment due to a cost of living increase from that source.

LONG TERM DISABILITY BENEFITS

[NON-DEDUCTIBLE SOURCES OF INCOME]⁷⁴

The *Company* will not subtract from your Gross Disability Payment income you receive from, but not limited to, the following:

- 401(K) Plans
- profit sharing plans
- thrift plans
- tax sheltered annuities
- stock ownership plans
- credit disability insurance
- non-qualified plans of deferred compensation
- pension plans for Partners
- military pension and disability income plans
- a Retirement Plan from another employer
- individual retirement accounts (IRA)
- [franchise disability income plans]⁷⁴
- [individual disability income plans]⁷⁴
- [a workers' compensation law; an occupational disease law, or any other Act or Law with similar intent]⁷⁴
- [a state compulsory benefit Act or Law]⁷⁴
- [other group insurance plans]⁷⁴
- [governmental retirement system as a result of your job with your Employer]⁷⁴
- [automobile liability insurance policy]⁷⁴
- [loss of time disability payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁷⁴
- [retirement payments under the United States Social Security Act; the Railroad Retirement Act; the Canada Pension Plan; the Quebec Pension Plan, or any similar Plan or Act]⁷⁴
- [your Employer's Retirement Plan]⁷⁴
- [any action brought under Title 46, United States Code Section 688 (The Jones Act)]⁷⁴
- [a third party (after subtracting attorney's fees) by judgment, settlement or otherwise]⁷⁴
- [any unemployment compensation Law]⁷⁴
- [the mandatory portion of any "no fault" motor vehicle plan]⁷⁴
- [any Salary Continuation or Accumulated Sick Leave plans]⁷⁴

[If Salary Continuation or Accumulated Sick Leave plan payments plus the Gross Disability Payment and Disability Earnings exceed 100% of your Monthly Earnings, the *Company* will subtract the amount in excess of 100% from your benefit.]⁷¹⁷⁴

LONG TERM DISABILITY BENEFITS

REHABILITATION BENEFIT⁷⁵

The Company has a Rehabilitation Program available.

As your file is reviewed, medical and vocational information will be analyzed to determine if rehabilitation services might help you return to work.

Once the initial review is completed by our Rehabilitation Program specialists working along with your Doctor and other appropriate specialists, the *Company* may elect to offer you and pay for a Rehabilitation Program. If the Rehabilitation Program is not developed by the *Company's* rehabilitation specialists, you must receive written approval from the *Company* for the program before it begins.

The Rehabilitation Program may include, but is not limited to, the following services:

- coordination with your Employer to assist your return to work;
- evaluation of adaptive equipment to allow you to work;
- vocational evaluation to determine how your Disability may impact your employment options;
- job placement services;
- resume preparation;
- job seeking skills training; or
- retraining for a new occupation.

The Rehabilitation Program may also include, at the *Company's* discretion, payment of your:

- Medical Expenses, and
- Moving Expenses.

[Rehabilitation payments⁷⁵

The *Company* will send you a rehabilitation payment each month up to the Maximum Period of Rehabilitation Payment while you are:

- Disabled and receiving a Monthly Payment from the *Company*, and
- participating in a Rehabilitation Program that has been approved by the *Company*.

[Your Maximum Period of Rehabilitation Payment is [6, 12]⁶⁸ months.]⁷¹

The monthly rehabilitation payment is equal to [5, 10%]⁶⁸ of your Monthly Payment.]⁷¹

LONG TERM DISABILITY BENEFITS

[Child care expense payments]⁷⁵

The *Company* will send you a payment for Child Care Expenses each month up to the Maximum Period of Child Care Payment while you are:

- Disabled and receiving a Monthly Payment from the *Company*; and
- participating in a Rehabilitation Program that has been approved by the *Company*.

[Your Maximum Period of Child Care Payment is [6, 12]⁶⁸ months.]⁷¹

The monthly child care payment is equal to the amount of your Child Care Expenses up to the maximum monthly child care amount.

Your maximum monthly child care amount is equal to [\$250, 350, 500]⁶⁸ times the number of eligible Children.]⁷¹

[Education payments]⁷⁵

The *Company* will send you an education payment each month while:

- you are Disabled and receiving a Monthly Payment from the *Company*, and
- the *Company* has written proof of your enrollment in an institution of higher learning which includes, but is not limited to, a university, college, or trade school.

Your monthly education payment is [\$100-500]^{70 75}.

WORKPLACE MODIFICATION BENEFIT⁷⁵

If you are Disabled and receiving a Monthly Payment from the *Company*, an additional workplace modification benefit may be payable to your Employer for your benefit. The *Company* will reimburse your Employer for up to 100% of reasonable costs that your Employer incurs for modifications to the workplace to accommodate your return to work, or to assist you in remaining at work.

The amount that the *Company* pays to your Employer for your workplace modification benefit will not exceed the lesser of:

- a maximum of [\$1,000-10,000]⁷⁰, or
- the *Company's* expected liability for your long term disability claim.

To qualify for this reimbursement, you must have:

- a Disability that prevents you from performing some or all of the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸;
- the physical and mental abilities needed to perform some or all of the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ or a Gainful Occupation, but only with the assistance of the proposed workplace modification; and
- the reasonable expectation of returning to active employment and remaining in active employment with the assistance of the proposed workplace modification.

LONG TERM DISABILITY BENEFITS

Your Employer must give the *Company* a written proposal on the proposed workplace modification. The proposal must include:

- input from your Employer, you and your Doctor;
- the purpose of the proposed workplace modification;
- the expected completion date of the workplace modification; and
- the cost of the workplace modification.

The *Company* will reimburse the costs of the workplace modification when the *Company*:

- approves the proposal in writing;
- receives proof from your Employer that the workplace modification is complete; and
- receives proof of the costs incurred by your Employer for the workplace modification.

At the *Company's* option, the *Company* may pay this amount directly to you, as long as the *Company* is given proof that the amount to be paid will be used to assist your Employer in making reasonable workplace modifications for you.

This benefit will not be payable if you become self-employed, or return to work for another employer.

This benefit is available to you on a one-time basis.⁷⁵

CATASTROPHIC DISABILITY BENEFIT⁷⁵

If you are Disabled and meet 1 or more of the following requirements, certified by a Doctor, you will receive a catastrophic disability benefit in addition to any other benefits payable under the group policy:

- you are continuously unable to perform [1-5]⁷⁰ or more Activities of Daily Living without Stand-By Help;
- you have a Cognitive Impairment; or
- you have a terminal illness.

Your Maximum Period of Payment is [0-60]⁷⁰ months.

This additional benefit will equal [[5-25%]⁷⁰ of your Monthly Earnings to a maximum of [\$500-5,000]⁷⁰⁷⁰ per month. [The monthly catastrophic disability payment, together with your Monthly Payment, will not exceed the maximum Monthly Benefit.]⁷¹

This benefit will be subject to all other terms of the group policy.⁷⁵

LONG TERM DISABILITY BENEFITS

PENSION CONTRIBUTION BENEFIT⁷⁵

If you:

- become Disabled;
- [are not working Part-Time]⁷¹;
- have qualified for benefits; and
- have been a participant in the Pension Plan for at least [1-6]⁷⁰ months

you will also be eligible to receive a pension contribution benefit to a qualifying Pension Plan. If you participate in more than one such Pension Plan, your Employer may designate which Pension Plan will receive the pension contribution benefit.

Under this pension contribution benefit, and on behalf of your Employer, we will pay a monthly pension contribution benefit to the trustee or administrator of your Pension Plan for deposit to your pension account. However, no pension contribution benefit will be payable under this provision to replace your voluntary pre-tax contributions to the Pension Plan, or to replace Pension Plan Contributions your Employer is otherwise obligated to make at the time these amounts would be deposited. This benefit shall be equal to the lesser of [1-30%]⁷⁰ of your Monthly Earnings, or [\$500-3,000]⁷⁰, but shall in no event exceed the amount that [you and]⁷¹ your Employer [was, were] contributing toward the Pension Plan as of the date of Disability.

This pension contribution benefit does not impact or change any of the provisions of your Employer's Pension Plan. Any payment is subject to the terms of your Employer's Pension Plan. The Pension Plan administrator is responsible for determining whether the Pension Plan may accept contributions under this pension contribution benefit. Receipt of long term disability benefits under this certificate does not obligate the administrator or your Pension Plan to accept pension contribution benefits under this provision since differences may exist between the definitions included in the long term disability certificate and those in the Employer's Pension Plan, including the definition of Disability. [You are not eligible to receive a pension contribution benefit if you are already collecting pension benefits from your Employer's Pension Plan]⁷¹.

Any pension contribution benefit that the Pension Plan administrator determines cannot be paid to the administrator of your Pension Plan will instead be deposited into a deferred annuity account designated by you. Any such amounts paid to a deferred annuity may be taxable to you at the time of such contribution. You should seek assistance from a personal tax advisor with respect to receipt of this benefit. No representations as to any issue of taxation of this benefit are made by the Company.

This pension contribution benefit will cease on the earliest of the date:

- your monthly [total]⁷¹ disability benefit payments terminate; or
- you cease to be an eligible participant under the terms of your Employer's Pension Plan.⁷⁵

401(k) CONTRIBUTION BENEFIT⁷⁵

If you become Disabled and have qualified for benefits, you will also be eligible to receive a 401(k) benefit that cannot exceed the maximum allowable by law. This additional benefit will equal the amount that you were contributing toward the plan as of the date of Disability, not to exceed the lesser of [1-10%]⁷⁰ of your Monthly Earnings, or [\$500, \$1,000, \$1,500, \$2,000.]⁶⁸ This amount will be paid to the Plan Administration for deposit into a 401(K) Plan on your behalf. In order to qualify for this benefit, you must have been a participant in the 401(K) Plan for at least 3 months. This benefit will cease to apply when you are no longer Disabled, or when you cease to be an eligible participant in your Employer's 401(K) Plan.⁷⁵

LONG TERM DISABILITY BENEFITS

COST OF LIVING INCREASE ADJUSTMENT BENEFIT⁷⁵

The *Company* will make a cost of living adjustment (COLA) after you have received [1-3]⁷⁰ full year[s] of payments.

[Your payment will increase by [the lesser of]⁷¹ [0-10%]⁷⁰ [or half the current annual percentage in the Consumer Price Index]⁷¹ beginning on the [first, second, third]⁶⁸ anniversary of payments and each following anniversary [not to exceed [1-20]⁷⁰ anniversary adjustment periods while]⁶⁸ [until you attain age 65 if]⁶⁸ you continue to receive payments for your Disability.]⁷¹

Each month, the *Company* will add the cost of living adjustment to your Monthly Payment. When the *Company* adds the adjustment to your payment, the increase may cause your payment to exceed the maximum Monthly Benefit. [Payment will be limited to the maximum Monthly Benefit.]^{71, 75}

LONG TERM DISABILITY BENEFITS

CONVERSION OPTION⁷⁵

If your insurance ends, you may buy disability income benefits under a group policy issued by the *Company* or another AIG company during the Conversion Period. Evidence of Insurability will not be required.

You may not use this option, if:

- the group policy ends
- the group policy is amended to end insurance for your class
- [your Employer ceases to be a Participating Employer]⁷¹
- your insurance ends due to nonpayment of premium
- you retire
- you no longer belong to a class eligible for disability benefits under the group policy
- you are eligible to receive disability benefits under the group policy
- you are in an elimination period for disability benefits under the group policy, or
- you are eligible for, or insured for, similar benefits under another group plan or an individual policy.

This option is subject to these conditions:

1. you must have been insured for at least 12 consecutive months by the group policy or a combination of the group policy and the Employer's Prior Plan that was replaced by the group policy;
2. you must apply for benefits in writing during the Conversion Period and pay the first premium within 10 days after receipt of a premium bill;
3. the premium rates for the insurance will be based on:
 - the insurer's rates then in use
 - the benefits, terms and conditions of the insurance, and
 - your age when insurance ends.
4. the *Company* will issue you a certificate of insurance on a form then being used by the *Company* or another AIG company for conversion purposes;
5. the benefits, terms, and conditions of insurance shown in this certificate may be different from the benefits, terms, and conditions of insurance that ended under the group policy; and
6. your insurance will take effect at the end of the Conversion Period.⁷⁵

MINIMUM INDEMNITY BENEFIT⁷⁵[illegible]

[Sight of both eyes	[12-60]	⁷⁰ ₇₁
[Hands	[12-60]	⁷⁰ ₇₁
[Both feet	[12-60]	⁷⁰ ₇₁
[One hand and one foot	[12-60]	⁷⁰ ₇₁
[One hand and sight of one eye	[12-60]	⁷⁰ ₇₁
[One foot and sight of one eye	[12-60]	⁷⁰ ₇₁
[One hand or one foot	[12-60]	⁷⁰ ₇₁
[Sight of one eye	[12-60]	⁷⁰ ₇₁
[Thumb and index finger of either hand	[12-60]	⁷⁰ ₇₁

Loss of hands and feet means loss by severance at or above the wrist or ankle joint. Loss of sight means total loss of sight that cannot be restored by surgical or other means. Loss of thumb and index finger means actual severance through or above the metacarpophalangeal joints.

This benefit is payable in addition to any other benefit payable under the group policy.⁷⁵

LONG TERM DISABILITY BENEFITS

FMLA FAMILY CARE BENEFIT⁷⁵

If you cease Full-Time work to care for a qualified relative under the Federal Family and Medical Leave Act of 1993 and you meet the following requirements, you will receive an FMLA Family Care Benefit:

1. you must be insured by the group policy at the start of your leave;
2. your leave must be approved by your Employer within the Federal Family and Medical Leave Act of 1993 guidelines;
3. your leave must extend for at least 30 days;
4. you must not be working on a Full-Time or Part-Time Basis during your leave, and
5. the purpose of your leave must be to permit you to provide Full-Time care for a qualified relative who suffers from a "serious health condition" as defined by the Federal Family and Medical Leave Act.

A qualified relative will include a dependent child or parent of the insured.

You must notify the *Company* as soon as your Employer approves your leave of absence. The *Company* may require written confirmation of this approval from your Employer.

FMLA Family Care Benefits will begin after you have been on this leave for 30 days. The *Company* will pay all FMLA Family Care Benefits in arrears.

Subject to all the terms of the group policy, the *Company* will pay a FMLA Family Care Benefit of [\$200-\$1,000]⁷⁰ a month while you are on leave.

The maximum payment period for this benefit is [6-52]⁷⁰ weeks during your lifetime.

The *Company* will stop paying you the FMLA Family Care Benefit on the earliest of:

- the date you go back to work on a Full-Time or Part-Time Basis;
- the date you become Disabled;
- the date your employment with the Employer ends;
- the date the group policy ends;
- the date the group policy is amended to end insurance for your class;
- the date your Employer-approved family medical leave ends; or
- the end of the maximum payment period for this benefit.⁷⁵

LONG TERM DISABILITY BENEFITS

SURVIVOR BENEFIT

(lump sum benefit)⁷²

When the *Company* receives proof that you have died, the *Company* will pay your Eligible Survivor a lump sum equal to [3, 6]⁶⁸ times your [Gross Disability Payment]⁶⁸ [Monthly Payment]⁶⁸ if, on the date of your death [:

- your Disability had continued for [90, 180]⁶⁸ or more consecutive days, and]⁷¹
- you were receiving or entitled to receive payments under the group policy.

If you have no Eligible Survivors, payment will be made to your estate.

However, the *Company* will first apply the survivor benefit to any overpayment that may exist on your claim.]⁷¹

SURVIVOR BENEFIT

(monthly payout benefit)⁷²

When the *Company* receives proof that you have died, the *Company* will pay your Eligible Survivor a benefit equal to 66 2/3% of your last Monthly Payment for [12, 24]⁶⁸ months if, on the date of your death:

- [your Disability had continued for [90, 180]⁶⁸ or more consecutive days, and]⁷¹
- [your Disability had continued for 12 or more consecutive months, and]⁷¹
- you were receiving or entitled to receive payments under the group policy.

If you have no Eligible Survivors, payment will be made to your estate.

However, the *Company* will first apply the survivor benefit to any overpayment that may exist on your claim.]^{71,71}

LIMITATIONS

MENTAL ILLNESS, [ALCOHOLISM, AND DRUG ABUSE]⁷¹

Disabilities due, in whole or part, to Mental Illness [,alcoholism, and drug abuse]⁷¹ have a limited Pay Period [during your lifetime]⁷¹, up to [0-60]⁷⁰ months from the date of Disability that follows the end of the Elimination Period.

The *Company* will continue to send you payments for disabilities due, in whole or part, to Mental Illness [,alcoholism, and drug abuse]⁷¹ beyond the [0-60]⁷⁰ month period that follows the end of the Elimination Period if you meet one or both of these conditions:

1. if you are Confined to a Hospital or Institution at the end of the [0-60]⁷⁰ month period, the *Company* will continue to send you payments during your Confinement.

If you are still Disabled when you are discharged, the *Company* will send you payment for a recovery period of up to [30-120]⁷⁰ days.

If you become reconfined at any time during the recovery period and remain Confined for at least [1-90]⁷⁰ days in a row, the *Company* will send payments during that additional Confinement and for 1 additional recovery period up to [30-120]⁷⁰ more days; and

2. in addition to item 1 above, if, after the [0-60]⁷⁰ month period that follows the end of the Elimination Period for which you have received payments, you continue to be Disabled and subsequently become Confined to a Hospital or Institution for at least [1-90]⁷⁰ days in a row, the *Company* will send payment for the length of the reconfinement.

LONG TERM DISABILITY BENEFITS

The *Company* will not pay beyond the limited Pay Period as indicated above, or the Maximum Period of Payment, whichever occurs first.

The *Company* will not apply the Mental Illness limitation, if it is the result of:

- stroke
- trauma
- viral infection
- Alzheimer's disease, or
- other conditions not listed which are not usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods or treatment as Generally Accepted in the Practice of Medicine.⁷¹

SELF - REPORTED SYMPTOMS

Disabilities due to Self-Reported Symptoms have a limited Pay Period, up to [12-60]⁷⁰ months from your date of Disability.

The *Company* may continue to pay benefits beyond [12-60]⁷⁰ months in the event that your condition is verifiable using tests, procedures or clinical examinations Generally Accepted in the Practice of Medicine at the end of the [12-60]⁷⁰ month period.⁷¹

SPECIAL CONDITIONS

Disabilities due to Special Conditions have a limited Pay Period, up to [12-24]⁷⁰ months from your date of Disability.⁷¹

PRE-EXISTING CONDITIONS⁶⁸

[Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor.]⁷¹⁷¹

within [3-12]⁷⁰ months just before your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment]⁷¹⁷¹.

If your Disability is due to, caused by, or contributed to by, a pre-existing condition and it begins in the first [12-30]⁷⁰ months after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy, [or the effective date of an increase due to a policy amendment]⁷¹, no benefits will be paid [unless you have not:

- received medical treatment, consultation, care, or services, including diagnostic measures, or
- taken prescribed drugs or medicines

for such pre-existing condition, or any complication of it, for [3-30]⁷⁰ continuous months after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹,⁷¹

LONG TERM DISABILITY BENEFITS

PRE-EXISTING CONDITIONS⁶⁸

[Pre-existing condition means an Injury or Sickness for which you:

- incurred charges
- received medical treatment, consultation, care, or services, including diagnostic measures
- took prescribed drugs or medicines[, or
- [had symptoms for which an ordinarily prudent person would have consulted a Doctor.]⁷¹⁷¹

within 30 days just before your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹⁷¹

If your Disability is due to, caused by, or contributed to by, a pre-existing condition, no benefits will be paid until you have performed the Material and Substantial Duties of your [Regular Occupation]⁶⁸[Regular Job]⁶⁸ for at least 5 consecutive days after your effective date of coverage [or your effective date of any individually elected increase]⁷¹ under the group policy [or the effective date of an increase due to a policy amendment.]⁷¹^{71, 71}

LONG TERM DISABILITY BENEFITS

CONTINUITY OF COVERAGE UPON TRANSFER OF CARRIERS⁷⁶

Continuity of coverage is provided as follows for employees whose coverage and/or eligibility are affected by the cancellation of the Employer's Prior Plan and replacement with the *Company's* [group policy]⁷⁶.

Employees Actively At Work

If you were insured under the Prior Plan on the day the Employer changed insurers, you will be covered by the benefits provided under the [group policy]⁷⁶ if you are:

1. eligible for coverage under the [group policy]⁷⁶ in accordance with its **ELIGIBLE CLASSES** provision; and
2. Actively at Work on the effective date of the [group policy]⁷⁶.

Employees not Actively At Work

If you are not Actively at Work, due to Injury or Sickness, on the effective date of the [group policy]⁷⁶, you will be covered for benefits provided you:

1. were validly insured under the Employer's Prior Plan on the date of transfer; and
2. are a member of the **ELIGIBLE CLASSES** under the [group policy]⁷⁶.

The benefits provided will be the benefits provided by the Prior Plan less any benefits paid or payable under the Prior Plan.

Coverage will be provided until the earliest of:

1. the date you become eligible and insured under the [group policy]⁷⁶ as described in the **Actively At Work** provision above;
2. the date your coverage ends in accordance with the termination provisions of the [group policy]⁷⁶; or
3. the date that is the end of any benefit extension as provided under the Prior Plan.

Pre-existing conditions

If a pre-existing condition exclusion is included in the [group policy]⁷⁶, benefits may be payable for a Disability due to a pre-existing condition if you:

1. were Actively at Work on the date of transfer; and
2. insured under the [group policy]⁷⁶ on its effective date.

The benefits payable will be the lesser of:

1. the full benefit payable under the [group policy]⁷⁶; or
2. the benefit under the Prior Plan.

Any time applied towards satisfying the elimination or Waiting Periods of the same or similar provisions under the Prior Plan will be credited towards the [group policy]^{76, 76}.

WAIVER OF PREMIUM

No premium is due for you while you are receiving Monthly Benefits. When you stop receiving Monthly Benefits, premiums must again be paid when due.

LONG TERM DISABILITY BENEFITS

[EXCLUSIONS]⁷⁷

The group policy does not cover any Disability caused by, contributed to by, or resulting from, your:

- loss of professional license, occupational license or certification for reasons other than an Infectious or Contagious Disease causing your Disability
- intentionally self-inflicted injuries while sane or insane
- active Participation in a Riot
- attempting to commit a crime, or commission of a crime for which you have been convicted under federal or state law
- [Mental Illness]⁷⁷[, alcoholism or drug abuse]⁷⁷
- [Occupational Sickness or Injury. However, Disability due to Occupational Sickness or Injury for Partners, Professional Corporation (P.C.) Partners, owners-employees, or Sole-Proprietors and/or S-Corporation Shareholders that cannot be covered by Worker's Compensation law, occupational disease law or similar law will be covered.]⁷⁷

The group policy will not cover a Disability due to Insurrection, War, declared or undeclared, or any act of War [or Terrorist Act]⁷⁷.

The *Company* will not pay a benefit for any period of Disability during which you are incarcerated as a result of a conviction.]⁷⁷

GENERAL PROVISIONS

INCONTESTABILITY

The *Company* will not use your statements relating to insurability to contest insurance after it has been in force for 2 years during your life, except for non-payment of premium or fraudulent misrepresentation. Such 2 - year period begins on your effective date of coverage [(or date of last reinstatement)]⁷⁸ and excludes any period during which you are Disabled. The *Company* will also not use such statement, except fraudulent statements, to contest an increase or benefit addition to your insurance after the increase or benefit addition has been in force for 2 years during your life. Such 2 - year period begins on the effective date of the increase or benefit addition [(or date of last reinstatement)]⁷⁸ and excludes any period during which you are Disabled.

These statements must be in writing on a form satisfactory to the *Company* and signed by you. A copy of this form will be given to you.

BENEFICIARY DESIGNATION AND CHANGE

You may designate a beneficiary. This record is maintained in the group policy records.

You may change your beneficiary designation at any time[, unless an irrevocable designation has been made]⁷⁸. The change may be executed, without the consent of the designated beneficiary(ies), by providing the *Company* with a written request for change. When the request is received by the *Company*, whether you are then living or not, the change of beneficiary will relate back to and take effect as of the date of execution of the written request, but without prejudice to the *Company* on account of any payment which is made prior to receipt of the request.

[If there is no designated beneficiary, or if no designated beneficiary is living after your death, the benefits will be paid, in equal shares, to the survivors in the first surviving class of those that follow: your (1) spouse; (2) children; (3) parents; or (4) brothers and sisters. If no class has a survivor, the beneficiary is your estate.]⁷⁸

INTERPRETATION OF THE GROUP POLICY

The group policy is delivered in and is governed by the laws of the governing jurisdiction and to the extent applicable, by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

If the group policy comprises a part of an employee benefits plan, the *Company* is granted the authority to determine eligibility, make all factual determinations and to construe all terms of the group policy. The *Company* has no responsibility or control with respect to any other benefit which may be provided beyond the group policy or any other plan of benefits.

MISSTATEMENTS

A person's age may be misstated. If so, the correct data will be used to determine if insurance is in force. If insurance is in force, the premium and/or benefits will be adjusted according to the facts.

PAYMENT TO A MINOR OR INCOMPETENT

If any beneficiary or payee is a minor or is incompetent to receive payment, the *Company* will pay his guardian. The *Company* will not be liable for such payment after it is made.

ASSIGNMENT

The *Company* will not be bound by any assignment unless it is in writing and is recorded at its home office. The *Company* is not responsible for the validity of an assignment.

COMPLIANCE WITH LAW

On the date the group policy takes effect, some of its provisions may conflict with an applicable law. If so, any such provision is changed to comply with the minimums required by such law.

CLAIM PROVISIONS

NOTICE OF CLAIM

A claimant should send a written notice of claim to the *Company* within 20 days of a loss, or as soon thereafter as is reasonably possible. No special form is required to do this. Notice given by or on behalf of the claimant to the *Company* at [3600 Route 66, Neptune, New Jersey, 07753] need only identify the claimant and the Employer and is deemed notice to the *Company*.

CLAIM FORMS

The *Company* will send claim forms to the claimant upon receipt of a written notice of claim. If such forms are not sent within 15 days after the giving of notice, the claimant will be deemed to have met the proof of loss requirements upon submitting, within the time fixed in the group policy for filing proof of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made. The notice should include the claimant's name, the Employer's name and the group policy number.

PROOF OF LOSS

Written proof of loss must be furnished to the *Company* within 90 days after the date of the loss. If the loss is one for which the group policy requires continuing eligibility for periodic benefit payments, subsequent written proofs of eligibility must be furnished at such intervals as the *Company* may reasonably require. Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is otherwise required.

Proof of claim, provided at your expense, must show:

- that you are under the Regular Care of a Doctor;
- the date your Disability began;
- the cause of your Disability;
- the extent of your Disability, including restrictions and limitations preventing you from performing your [Regular Occupation]⁶⁸[Regular job]⁶⁸[any occupation]⁶⁸;
- the name and address of any hospital or institution where You received treatment, including all attending Doctors; and
- the appropriate documentation of your [Weekly]³⁸ [Monthly]³⁸ Earnings.

You may be asked to submit proof that you continue to be Disabled and are under the Regular Care of a Doctor. Requests of this nature will only be as often as the *Company* feels reasonably necessary. If so, this will be at your expense and must be received within 30 days of the *Company's* request. Failure to do so, may delay, suspend or end your benefits.

In some cases, you will be required to give the *Company* authorization to obtain additional medical information and to provide non-medical information as part of your proof of claim, or proof of continuing Disability. The *Company* will deny your claim, or stop sending you payments, if the appropriate information is not submitted.

TIME OF PAYMENT OF CLAIMS

Benefits payable under the group policy for any loss other than loss for which the group policy provides any periodic payment will be paid immediately upon the *Company's* receipt of due written proof of the loss. [Subject to the *Company's* receipt of due written proof of loss, all accrued benefits for loss for which the group policy provides periodic payment will be paid at the expiration of each month during the continuance of the period for which the *Company* is liable and any balance remaining unpaid upon termination of liability will be paid immediately upon receipt of such proof.]⁷⁹

CLAIM PROVISIONS

PHYSICAL EXAMINATIONS AND AUTOPSY

The *Company*, at its own expense, shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require, during the pendency of a claim hereunder, and to make an autopsy in case of death where it is not forbidden by law.

AUTHORIZATION AND DOCUMENTATION THAT YOU WILL BE ASKED TO SUPPLY

You will be required to supply proof that you have applied for other deductible income benefits such as workers' compensation or Social Security disability benefits, when applicable.

You will be required to notify the *Company* when you receive, or are awarded, other deductible income benefits. You must tell the *Company* the nature of the income benefit, the amount received, the period to which the benefit applies, and the duration of the benefit if it is being paid in installments.

PAYMENT OF CLAIMS

If written proof of loss is furnished, accrued benefits will be paid [weekly while]⁸⁰ [every 2 weeks while]⁸⁰ [at the end of each month that]⁸⁰ you are Disabled. If payment for part of a [week]³⁸[month]³⁸ is due at the end of the claim, it will be paid as soon as written proof of loss is received.

All payments are payable to you. If any benefit under the group policy is payable to your estate, or to an insured person or your beneficiary who is a minor or otherwise not competent to give a valid release, then the *Company* may pay up to an amount not exceeding \$1,000 to any relative by blood or connection by marriage or domestic partnership who are deemed by the *Company* to be equitably entitled to it. Any such payment made by the *Company* in good faith shall fully discharge the *Company* to the extent of such payment.

NOTICE OF DECISION ON CLAIM

You will receive a written decision on your claim within 45 days after the *Company* receives your completed claim.

If the *Company* denies any part of your claim, you will receive a written notice of denial containing:

- the reasons for the *Company's* decision;
- reference to the parts of the group policy on which the *Company's* decision is based;
- a description of any additional information needed to support your claim; and
- information concerning your right to a review of the *Company's* decision.

REVIEW PROCEDURE

You may request in writing a review of a denial of all or part of your claim within 180 days after you receive notice of the denial.

When you request a review, you may send the *Company* written comments or other items to support your claim. You may review any non-privileged information that relates to your request for review.

The *Company* will review your claim promptly after we receive your request. The *Company* will send you a notice of the *Company's* decision within 45 days after the *Company* receives your request, or within 90 days if special circumstances require an extension. The *Company* will state the reasons for the *Company's* decision and refer you to the relevant parts of the group policy.

CLAIM PROVISIONS

OVERPAYMENT

The *Company* has the right to recover any overpayments due to:

- fraud;
- any error the *Company* makes in processing a claim;
- your receipt of Deductible Sources of Income; and
- income or wages from work.

You must reimburse the *Company* in full. The *Company* will determine the method by which the repayment is to be made including application of future benefits payable under the group policy to the overpayment balance.

The *Company* will not recover more money than the amount the *Company* paid you.

SUBROGATION – RIGHT OF REIMBURSEMENT

If you:

- suffer a Disability because of the act or omission of a third party;
- become entitled to and are paid benefits under the group policy in compensation for lost wages; and
- do not initiate legal action for the recovery of such benefits from the third party in a reasonable period of time;

then the *Company* will be subrogated to any rights you may have against the third party and may, at the *Company's* option, bring legal action to recover any payments that the *Company* has made in connection with the Disability.

TIME LIMIT ON LEGAL ACTIONS

No action at law or in equity may be brought to recover on this certificate prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the group policy. No such action may be brought after the expiration of [3]⁸¹ years after the time written proof of loss is required to be furnished.

FRAUD

The *Company* wants to ensure that you and your Employer do not incur additional insurance costs as a result of the undermining effects of insurance fraud. The *Company* promises to focus on all means necessary to support fraud detection, investigation and prosecution.

WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

SUMMARY OF GENERAL PURPOSES, COVERAGE LIMITATIONS AND CONSUMER PROTECTIONS

General Purposes

Residents of the District of Columbia should know that licensed insurers who sell health insurance, life insurance, and annuities in the District of Columbia are members of the District of Columbia Life and Health Insurance Guaranty Association (“Guaranty Association”).

The purpose of the Guaranty Association is to assure that policy or contract holders of certain types of insurance policies and contracts are covered up to the statutory levels of protection of contractual benefits in the unlikely event that a member insurer is unable to meet its financial obligations and found by a court of law to be insolvent. When a member company is found by a court to be insolvent, the Guaranty Association will assess its other member insurers to provide benefits on any outstanding covered claims of persons who reside in the District of Columbia. However, this additional protection provided through the Guaranty Association is subjected to certain statutory limits explained under “Coverage Limitations” section below. In some cases, the Guaranty Association may facilitate the reassignment of policies or contracts to other licensed insurance companies to keep them in-force, with no change in contractual rights or benefits.

Coverage

The District of Columbia Life and Health Insurance Guaranty Association (“Guaranty Association”), established pursuant to the Life and Health Guaranty Association Act of 1992 (“Act”), effective July 22, 1992 (D.C. Law 9-129; D.C. Official Code 31-5401 *et seq.*), provides insolvency protection for certain types of insurance policies and contracts. NOTE: Certain policies may not be covered or fully covered.

The insolvency protections provided by the Guaranty Association are generally conditioned on an individual being a resident of the District and the insured or owner under a health insurance, life insurance, or annuity contract issued by a member insurer, or they are insured under a group policy insurance contract issued by a member insurer. Beneficiaries, payees, or assignees of District insureds are also covered under the Act, even if they live in another state.

Coverage Limitations

The Act also limits the amount the Guaranty Association is obligated to pay. The benefits for which the Guaranty Association may become liable shall be limited to the lesser of:

- the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer; or
- with respect to any one life, regardless of the number of policies, contracts, or certificates:
 - \$300,000 in life insurance benefits for any one life; including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 in the present value of structured settlement annuity benefits, including net cash surrender or net cash withdrawal values;
 - \$300,000 for long-term insurance care benefits;
 - \$300,000 for disability insurance;

- \$500,000 for basic hospital, medical, and surgical insurance, or major medical insurance;
- \$100,000 for coverage not defined as disability insurance or basic hospital, medical and surgical insurance or major medical insurance or long term care insurance including any net cash surrender and net cash withdrawal values.

In no event is the Guaranty Association liable for more than \$300,000 with respect to any one life (\$500,000 in the event of basic hospital, medical, and surgical, and major medical claims).

Additionally, the Guaranty Association is not obligated to cover more than \$5,000,000 for multiple non-group policies of life insurance with one owner regardless of the number of policies owned.

Exclusion Examples

Policy or contract holders are not protected by the Guaranty Association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was domiciled in a state whose guaranty association law protects insureds that live outside of that state);
- their insurer was not authorized to do business in the District of Columbia; or
- their policy was issued by a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, a non-profit hospital or medical service organization, a health maintenance organization, or a risk retention group.

The Guaranty Association also does not cover:

- any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk;
- any policy of reinsurance (unless an assumption certificate was issued);
- any plan or program of an employer or association that provides life, health, or annuity benefits to its employees or members and is self-funded;
- interest rate guarantees which exceed certain statutory limitations;
- dividends, experience rating credits or fees for services in connection with a policy;
- credits given in connection with the administration of a policy by a group contract holder; or
- unallocated annuity contracts.

Consumer Protection

To learn more about the above referenced protections, please visit the Guaranty Association's website at www.dclifega.org. Additional questions may be directed to The District of Columbia Department of Insurance, Securities and Banking (DISB) that will respond to questions not specifically addressed in this disclosure document.

Policy or contract holders with additional questions may contact either:

**District of Columbia
Department of Insurance, Securities
and Banking
810 First Street, N.E., Suite 701
Washington, DC 20002
(202) 727-8000**

**District of Columbia
Life and Health Guaranty
Association
1200 G Street, N.W.
Washington, DC 20005
(202) 434-8771**

Pursuant to the Act (D.C. Official Code 31-5416), insurers are required to provide notice to policy and contract holders of the existence of the Guaranty Association and statutory coverage protections. Your insurer and agent are prohibited by law from using the existence of the Guaranty Association and the protection it provides to market insurance products. You should not rely on insolvency protection provided under the Act when selecting an insurer or insurance product. If you have obtained this document from an agent in connection with the purchase of a policy or contract, you should be aware that such delivery does not guarantee that the Guaranty Association would cover your policy or contract. Any determination of whether a policy or contract will be covered will be determined by the coverage provisions of the Act.

This disclosure is intended to summarize the general purpose of the Act and does not address all the provisions of the Act. Moreover, the disclosure is not intended and should not be relied upon to alter any right established in any policy or contract, or under the Act.